

**DEVELOPMENT AGREEMENT FOR THE
MUSEUM OF THE AMERICAN RAILROAD**

THIS DEVELOPEMENT AGREEMENT FOR THE MUSEUM OF THE AMERICAN RAILROAD (this "Agreement") is entered into as of this ____ day of _____, 2009, by and among the City of Frisco, Texas, as a municipal corporation of the State of Texas and a home rule city ("City"), and the Museum of the American Railroad, a 501 (c) (3) not-for-profit Texas Corporation ("MAR").

PRELIMINARY STATEMENTS

A. The City owns land in an area known as the Heritage Center located in downtown Frisco, which the City intends to develop into a system of parks, museums, commercial and residential uses, and recreational facilities that will ultimately make downtown Frisco a family-oriented destination; and

B. MAR owns a significant collection of railroad rolling stock currently on display in Fair Park, Dallas, Texas; and

C. MAR has provided the City with a plan to relocate the rolling stock and all other elements of its display to a site near the Heritage Center and to build thereon in phases the elements of a substantial museum dedicated to the history of the American Railroad (the "Project"); and

D. Because the City of Frisco was born out of the extension of the St. Louis, San Francisco Railroad in 1902, because the history of the railroad is so closely intertwined with the history of the City, and because a museum dedicated to the history of the American Railroad would promote the City's heritage and educate the public, the City has determined that bringing the MAR to Frisco would serve a valid public purpose; and

E. The City desires to have the museum near its Heritage Center and is willing to lease certain land near the Heritage Center and provide the specific economic incentives to MAR in order to facilitate the first phase of the development of the Project; and

F. The City and MAR now desire to set forth the definitive terms and conditions of the Project.

NOW, THEREFORE, in consideration of the mutual promises and agreements herein contained and for other good, valuable, and binding consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

STATEMENT OF AGREEMENT

ARTICLE I

Museum

1.1 General. The proposed museum (the "Museum") is intended to consist of the entire collection of the rolling stock owned by, or under the control of, MAR, together with all exhibits now existing or in the future to be created by MAR, all of which are or shall be designed to display the history of the American railroad. The initial rolling stock collection is described in the attached Exhibit A, which is incorporated herein by reference.

1.2 Development of the Museum in Phases. MAR intends to develop the Museum in phases as more fully described on the attached Exhibit B, which is incorporated herein by reference. The City's land lease and economic incentives have been structured to assist MAR with the Phase I development and the continuation of the land lease over time is contingent upon MAR proceeding with the development of Phase II over time. By entering into this Agreement, MAR covenants that it will use its best efforts to accomplish the development of both Phases I and II.

1.3 Value of Improvements. The Parties have entered into this agreement with the understanding that the Project, at the end of Phase II shall be valued at approximately twenty-million dollars (\$20,000,000.00) worth of improvements, including but not limited to, the value of the trackage, all improvements, Rolling Stock, and collections.

1.4 Operation of Museum. MAR covenants and agrees that it will maintain the Museum collection in keeping with such standards as MAR and the City from time to time may agree; that it will continuously operate the Museum and keep it open on such days and during such hours as will allow the citizens of the City and the general public access to the collection, subject to reasonable restrictions; that it will not allow the Museum, or any component thereof, to fall into disrepair or become an eyesore, hazard, or nuisance; and that it will at all times abide by the laws, regulations and ordinances of the City.

1.5 Insurance. At all times during the existence and operation of the Museum and unless otherwise agreed to in writing by the City, MAR shall keep in full force and effect a general liability policy in such amounts as shall be agreed upon from time to time by the City, in each instance including the City in such policies as an additional named insured. It is stipulated that the present policies are acceptable as to coverage and amount. MAR shall not be required to carry casualty insurance on any Rolling Stock and/or its collection.

ARTICLE II

Project Land

2.1 Lease of Land. MAR, on or before the date of the issuance of a building permit for the construction of the Facilities (hereinafter defined), shall ground lease from the City approximately 12.34 acres (the "Project Land"), which is located and generally configured in accordance with the drawing attached hereto as Exhibit C, which is incorporated by reference.

MAR agrees that the Project Land is a suitable and acceptable site location for the development of the Facilities (as defined hereinafter) and the operation of the Museum.

2.2 Lease Agreement; Term. The ground lease (the "Lease") shall be in the form attached hereto as Exhibit D, which is incorporated herein by reference. The Lease shall consist of an initial term of two (2) years (the "Initial Term"), during which time MAR shall prepare a general site plan and layout of the Museum, shall install the trackage and switches necessary to relocate the rolling stock collection from Fair Park, Dallas, to the Project Land, shall construct the improvements required to be constructed during Phase I on the attached Exhibit B (the "Phase I Improvements"), shall physically relocate the rolling stock onto the Project Land and shall substantially discontinue operations at Fair Park, Dallas. Upon the completion of the Phase I Improvements and the establishment of operations which are no less favorable than presently maintained at Fair Park, Dallas, the Lease shall automatically be renewed for a term of ten (10) years (the "First Renewal Term"). During the First Renewal Term, MAR shall operate the Museum in accordance with the provisions of this Agreement and the Lease and shall plan for and undertake, using its best efforts, the items set forth in Phase II of Exhibit B. Upon the completion of the requirements of Phase II, the Lease shall automatically be renewed for an additional term twenty-eight (28) years (the "Second Renewal Term"). Upon satisfactory compliance with the Lease and completion of the Term, First Renewal Term, and Second Renewal Term, MAR may request that the City extend the Lease for an additional forty (40) years under such terms and conditions as the parties may at that time determine (the "Third Renewal Term"). Such extension by the City shall not be unreasonably denied.

2.3 Obligation to Promote the City. Upon the execution of this Agreement and throughout the term of the Lease, MAR shall provide recognition for the City in its advertising and promotions.

2.4 Obligations to Get Approval from (BNSF). In Phase I, it shall be the sole responsibility of MAR to obtain the authority from Burlington Northern Santa Fe Railway (BNSF) to use BNSF's rail lines to move MAR's Rolling Stock and collections to the Project Land. It shall also be the sole responsibility of MAR to obtain any necessary authority from BNSF for MAR to install lead and tail track on the Project Land that will provide ingress and egress from BNSF's main line to the museum's exhibit track.

ARTICLE III **City Economic Incentives**

3.1 Source of Funding. Financial contributions from the City shall mean and include all contributions made by City, the Frisco Community Development Corporation, and the Tax Increment Reinvestment Zone No. 1.

3.2 Conceptual Engineering Plan. MAR shall submit to the City a concept plan (the "Concept Plan") that generally sets forth the layout of the trackage and permanent improvements for the Museum as described in Phase I of Exhibit B and addresses environmental, drainage and traffic issues in a general manner. The Concept Plan shall be subject to City approval.

3.3 Initial Contribution. Upon City acceptance of the Concept Plan, the City shall advance to MAR funds in an amount not to exceed One Hundred Thousand Dollars (\$100,000) (the "Initial Contribution") to be used for the development of plans and specifications for the construction of the Phase I Improvements (the "Plans") and the preparation of a construction budget relating thereto (the "Construction Budget"). The Initial Contribution will be based upon invoices submitted therefor. The plans and specifications shall conform to all City laws, regulations and ordinances and shall be subject to the approval of the City generally. The Plans set forth on Exhibit B reflect the project at various stages of development and are acceptable to City.

3.4 Subsequent Contribution.

3.4.1 Adequate Funding. Upon approval by the City of the Plans and the Construction Budget, and upon the presentation of evidence reasonably acceptable to the City of MAR's financial capability to fund the payments required of MAR as hereinafter set forth, MAR shall solicit one or more contracts for the construction of Phase I Improvements (the "Construction Contract"). Phase I Improvements shall mean all improvements listed in Exhibit B for Phase I, including but not limited to, the installation of trackage, the relocation of collections, and the relocation of Portable Rolling Stock. Portable Rolling Stock shall mean those pieces of MAR's railroad collection that can be licensed or permitted to be moved intact or with minimal modification, upon existing rail lines.

3.4.2 Construction Contract. The City shall have approval rights regarding the contractors hired, as well as the terms contained in the Construction Contract, which approval shall not be unreasonably withheld. The Construction Contract shall include payment and performance bonds, unless otherwise waived by the City. The total amounts contained in the Construction Contract shall establish the Phase I Construction Costs ("Phase I Construction Costs").

3.4.3 Bank Account. Prior to commencement of construction, MAR shall establish a bank account (the "Bank Account") into which all monies to be used for the payment of Phase I Construction Costs shall be deposited by both the City and MAR, from time to time, based upon the contractors' pay applications ("Pay Application"), which shall be submitted to the City and MAR.

3.4.4 Construction Contract Contribution Payments. Upon receipt of each Pay Application, the City shall deposit into the Bank Account an amount equal to the City's Contribution Ratio, as that term is defined herein. So long as the Phase I Construction Costs do not exceed \$1,363,636.00, the City's Contribution Ratio shall be 2/3rds of each Pay Application. If the Phase I Construction Costs exceed \$1,363,636.00, the City's Contribution Ratio shall be determined by dividing \$900,000 by the Phase I Construction Cost and applying the resulting percentage to each Pay Application. [By way of example: if the Phase I Construction Costs equals \$2,000,000, the City's Contribution Ratio shall equal $\$900,000 / \$2,000,000$ or 45%. The City shall then be obligated to pay 45% of each Pay Application] MAR shall deposit into the Bank Account an amount equal to the remaining balance of each Pay Application within ten (10) days from receipt of same and shall not remit payment to any contractor from the Bank Account until it has deposited its contribution payment in full. MAR shall provide the City with a full accounting of the use of the disbursed funds.

3.4.5 Cap on City's Financial Contributions. Notwithstanding anything to the contrary contained herein, the City shall under no circumstance be obligated to contribute more than the Initial Contribution of \$100,000 and the Subsequent Contribution, which shall equal the lesser of (a) 2/3rds of the Phase I Construction Costs or (b) Nine Hundred Thousand Dollars (\$900,000.00).

ARTICLE IV **Events of Default:**

Events of Default. The following shall be considered events of default under this Agreement:

4.1 MAR's failure to complete a phase in the time required under this Agreement and the Lease Agreement except as excused or extended by force majeure;

4.2 MAR's failure to continuously operate the Museum on the Project Land. Operations shall be deemed to be continuous so long as there are no periods of non-operation that exceed six (6) continuous months in duration;

4.3 MAR's failure to maintain at least twenty pieces of rolling stock on exhibit in good condition on the Project Land;

4.4 MAR's failure to maintain general liability insurance in such amounts and naming the City as an additional insured, as shall be reasonably acceptable to the City;

4.5 MAR's failure to abide by all City laws, regulations and ordinances; or

4.6 MAR's default in performing any other obligation of this Agreement or the Lease.

ARTICLE V **Remedies for Default:**

5.1 If there is an event of default, all remedies shall be available at law or in equity; including, without limitation, termination, injunction, and specific performance. All remedies shall be cumulative, and the failure to assert any remedy or the granting of any waiver shall not be deemed to be a waiver of such remedy or any subsequent event of default.

5.2 The Lessee also agrees that if the Lessee defaults or terminates this Agreement during the Initial Term, all improvements shall become the sole property of the City; and Lessee hereby grants to City the authority, coupled with a power, to transfer title and ownership of improvements to the City without further documentation or consent from Lessee.

5.3 In addition to the foregoing remedies, Lessee grants to City a landlord's lien on all improvements, located on the Project Land. During the Initial Term of the Lease that lien shall extend to all rolling stock belonging to Lessee, whether or not located on the Project Land.

ARTICLE VI

Miscellaneous

6.1 Further Agreements. The parties hereto agree to use their good faith efforts to complete and execute, as soon as practicable following the date hereof, all agreements or other documents necessary, appropriate or desirable to carry out the transactions contemplated hereby specifically including the agreements described on the attached Exhibits.

6.2 Notices. Any notices or other communications required or desired to be given to the other parties hereto shall be given in writing and delivered by courier, overnight delivery, facsimile, or certified first class mail to the following addresses:

To: City of Frisco
Attention: City Manager
6891 Main Street
Frisco, Texas 75034
Fax: (972) 335-5559

With copy to:

Abernathy, Roeder, Boyd & Joplin, P.C.
Attention: Robert Roeder
1700 Redbud Blvd., Suite 300
McKinney, Texas 75069
Fax: (214) 544-4044

To: Museum of the American Railroad
Attention: Robert Willis, Chair
Board of Trustees
1105 Washington Street,
P.O. Box 153259
Dallas, Texas 75315-3259
Fax: 214-426-1937

With copy to:

Bob LaPrelle
President & CEO
Museum of the American Railroad
PO Box 153259
Dallas, TX 75315-3259

To: Frisco Community Development Corporation
Attn: _____

6.3 Governing Law; Venue. This Agreement shall be interpreted and the rights of the parties hereto determined in accordance with the laws of the State of Texas without regard to the conflicts of laws principles thereto, and venue shall be in State District Court in Collin County, Texas.

6.4 Compliance with Laws. The parties hereto shall comply in all material respects with all applicable laws in connection with the development and construction of the Facilities and Improvements.

6.5 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors. This Agreement may not be assigned without the prior written consent of the other parties hereto.

6.6 Entire Agreement. This Agreement (including the Exhibits hereto) and the other agreements and documents referenced herein constitute the full and entire understanding and agreement of the parties hereto with regard to the subject matter hereof and thereof and supersede any prior or contemporaneous agreement or understanding among the parties.

6.7 Amendment. This Agreement may not be amended or terminated without the written consent of the parties hereto.

6.8 Waiver. No term or condition of this Agreement shall be deemed to have been waived, nor shall there be any estoppel to enforce any provision of this Agreement, except by written instrument of the party charged with such waiver or estoppel.

6.9 Severability. If any provision of this Agreement shall be invalid, illegal or unenforceable, such provision shall be reformed to the extent necessary to permit enforcement thereof, and the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

6.10 Third-Party: Beneficiaries. The parties hereto intend that this Agreement shall not benefit or create any right or cause of action in or on behalf of any third-party beneficiary, or any individual other than the parties hereto and their assigns.

6.11 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

6.12 Headings. The headings of this Agreement are for convenience of reference only and are not to be considered in construing this Agreement.

6.13 Draftsmanship. This Agreement shall be deemed drafted equally by all parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any party shall not apply.

6.14 Force Majeure. For the purposes of this Agreement, the term "Force Majeure" shall mean any unforeseeable causes beyond the control of either party hereto, including, but not limited to, casualty, damage, strikes or lockouts, acts of God, war, terrorism, riots, governmental restrictions, failure or inability to secure materials or labor, reason of priority or similar regulations or order of any governmental or regulatory body, enemy action, civil disturbance, fire, unavoidable casualties or any other cause beyond the reasonable control of the party seeking the extension.

6.15 Approvals. This Agreement, including all exhibits attached hereto, is expressly contingent upon the approval hereof by the City of Frisco, Texas, which approval is evidenced by the signature hereto.

IN WITNESS WHEREOF, this Agreement has been executed by the undersigned as of the date first written above.

The Museum of the American Railroad

Robert Willis, Chair, Board of Trustees

City of Frisco, Texas

George Purefoy, City Manager

Frisco Community Development Corporation

Print Name: _____
Title: _____

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this day personally appeared **GEORGE PUREFOY**, known to me to be the person whose name is subscribed to the foregoing instrument; he acknowledged to me that he is the duly authorized representative for the **CITY OF FRISCO, TEXAS**, and he executed said instrument for the purposes and consideration therein expressed.

Given under my hand and seal of office this ____ day of _____, 2009.

Notary Public in and For the State of Texas

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this day personally appeared **ROBERT WILLIS**, known to me to be the person whose name is subscribed to the foregoing instrument; he acknowledged to me that he is the duly authorized representative for **THE MUSEUM OF THE AMERICAN RAILROAD**, and he executed said instrument for the purposes and consideration therein expressed.

Given under my hand and seal of office this ____ day of _____, 2009.

Notary Public in and For the State of Texas

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this day personally appeared _____, known to me to be the person whose name is subscribed to the foregoing instrument; he/she acknowledged to me that he/she is the duly authorized representative for the **FRISCO COMMUNITY DEVELOPMENT CORPORATION**, and he/she executed said instrument for the purposes and consideration therein expressed.

Given under my hand and seal of office this ____ day of _____, 2009.

Notary Public in and For the State of Texas

Exhibit "A"

Rolling Stock

Exhibit "A"
MAR Development Agreement
Rolling Stock
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ROLLING STOCK

Steam Locomotives

St. Louis-San Francisco (Frisco) Railway
No. 4501
4-8-4 "Northern" type
Baldwin Locomotive Works, Eddystone, PA
C/N 64450 Nov. 1942
Last operated 1952, Retired 1964, Donated 1964

Dallas Union Terminal Company
No. 7
0-6-0, S-13 type (upgraded) switcher
Baldwin Locomotive Works, Eddystone, PA
C/N 57208 Oct. 1923
Retired 1962, Donated 1963

Union Pacific Railroad Company
No. 4018
4-8-8-4 "Big Boy" type, simple articulated
American Locomotive Company (Alco), Schenectady Works, NY, 1942
C/N 69589 Dec. 1941
Last operated 1957, Retired 1962, Donated 1965

Eagle-Picher Mining Company, Carding Mine, Picher, Oklahoma
(Ex St. Louis-San Francisco (Frisco) Railway)
No. 1625
2-10-0 "Decapod" type
American Locomotive Company (Alco), Schenectady Works, NY
C/N 58903 March. 1918
Built to 5 ft. Gauge for Imperial Russian Railways, never delivered and was subsequently regauged and sold to USRA, then resold to SLSF Railway after WW1. Sold to Eagle-Picher Mining Co. in October of 1951.
Last operated 1957, Retired 1964, Donated 1964

Diesel-Electric Locomotives

Atchison Topeka & Santa Fe Railway Company
No. M-160
Gas-Electric Motorcar, Dieselized 1946, repowered again in 1952 with 600 HP EMD 6-567B Diesel
J.G. Brill Company, Philadelphia, PA, June 1931
Retired 1966, Donated 1969, Serviceable

Union Pacific Railroad Company

No. 6913

DDA-40-X "Centennial", 6600 HP. Diesel-Electric, (Two 16-645 E3A engines)

Electro-Motive Division of General Motors, LaGrange, IL

B/N 34539 Oct. 1969

Retired 1985, Donated 1986

Western Railroad Company, New Braunfels, TX (Parker-Lafarge Corporation)

(Ex Great Plains Railway, ex Colorado & Wyoming Railway, Pueblo, CO)

No. 1107

VO-1000, 1000 HP Diesel-Electric Switcher, (In-line 8 cylinder De La Vergne NA engine)

Baldwin Locomotive Works, Eddystone, PA

B/N 69654 Sept. 1943

Retired 1987, Donated 1990, Serviceable

Southwestern Portland Cement, Odessa, Texas Plant

No. 115 (Ex Southern Pacific No. 2379, ex 1581)

H12-44, 1200 HP. Diesel-Electric Switcher, (In-line 6 cylinder 38D8 1/8 engine)

Fairbanks-Morse & Company, Beloit, WI

B/N 12L1066 Oct. 1956

Retired 1993, Purchased 1993, Serviceable

Burlington Northern Santa Fe Railway

No. 97 (Ex Santa Fe 5997, ex 105, ex 5997, ex 5947, ex 107)

SDFP-45 (FP-45), 3600 HP Diesel-Electric, (20-645 E3 engine),

Electro-Motive Division of General Motors, LaGrange, IL

B/N 33196 Dec. 1967

Retired 1999, Donated 1999

Canadian National Railways

No. 9167

F-7AU (F-7A) 1750 HP Diesel-Electric Road Switcher

(Remanufactured July 1973 to F-9A specifications with 16-567 C engine)

General Motors Limited of Canada, Toronto, ON

B/N A-386 Oct. 1952

Retired 1989, Purchased 2000, Serviceable

TXI Cement & Aggregates

No. 8000 (Ex USA 8000, ex NYS&W 231)

RSD-1 (RS-1), 1000 HP Diesel-Electric Road Switcher (In-line 6 cylinder turbo charged 539T engine)

Rebuilt Nov. 1942 to U.S. military specifications including three axle, three motor fabricated trucks and re-profiled cab for use on Trans-Iranian Railway (US Army 762nd Railroad Battalion) during WWII.

Repatriated July 1945

American Locomotive Company (Alco), Schenectady Works, NY

B/N 69992 June 1942

Retired 1999, Donated 2000, Serviceable

Electric Locomotive

National Railroad Passenger Corp. (Amtrak)
(Ex Pennsylvania Railroad Company)
No. 4906 (Ex AMTK 906, ex PRR 4903)
GG1 type, 2-C-C-2 Electric, 11,000 VAC, 25 cycles
Westinghouse Electric Company (Assembled at PRR's Juniata Shops, Altoona, PA)
B/N 4372 June, 1940
Repainted back to PRR No. 4903 in 1996
Retired 1980, Acquired in trade 1984

Passenger Cars

Fort Worth & Denver Railway (Ex Colorado & Southern Railway)
"Texland" (Second) (Ex FW&DC 922, ex C&S 901, ex USRA 90, ex C&S 901, ex 627, ex 82),
Lot #2569
Business Car, 3-stateroom, 3-bath, dining room, office, salon
(Built as all-wood, truss-rods cafe-observation car, rebuilt to business car 1910, steel underframe and side sheeting 1925)
Pullman Car Works, Chicago, IL, 1900
Stored 1960, Retired 1966, Donated 1966

Atchison Topeka & Santa Fe Railway Company
Parlor Club 3231, Lot #4255
Lounge Car, 14 parlor seats, club section, dorm space
(Built as parlor observation car 3218, rebuilt 1935)
Pullman Car Works, Chicago, IL, 1914
Retired 1964, Donated 1966

Atchison Topeka & Santa Fe Railway. Company
"San Bartolo" 1363, Lot #4807
Lounge-Barber Shop-Dormitory Car
Pullman Car & Manufacturing Company, Chicago, IL, 1926
Donated 1966

The Pullman Company (General Service)
"Glengyle", Lot #3867 Plan #2522
Sleeping Car, 7 compartments, 2 drawing rooms
Pullman Car Works, Chicago, IL, Dec. 1910
Donated 1964

The Pullman Company (General Service)
"McQuaig", Lot #4845 Plan #3410
Sleeping Car, 12 open-sections, 1 drawing room
Pullman Car & Manufacturing Company, Chicago, IL, April 1925
Donated 1964

The Pullman Company (Southern Pacific Lines)
"Goliad", Lot 4945 Plan #3410A
Sleeping Car, 12 open-sections, 1 drawing room
Pullman Car & Manufacturing Company, Chicago, IL, Sept. 1926
Donated 1964

FreightMaster Industries (Haliburton), Ft. Worth Plant
HWCR-1 Research Car, (Ex Pullman Company "Glen Nevis"), Lot #4922 Plan #3523A
Self-contained car for field testing of draft gear cushioning devices having:
3 compartments, 2 drawing rooms, shower, kitchen, and instrument room
Built as sleeping car with 6 compartments, 3 drawing rooms
Pullman Car & Manufacturing Company, Chicago, IL, Dec, 1925
Purchased by FMI and converted to research car 1966, Donated 1997

Missouri-Kansas-Texas (Katy) Lines
No. 3 (Ex "Fort Worth", ex "Goliad" 438), Lot #1671
Dining Car, 36-seat, full-service kitchen
American Car & Foundry Company, St. Louis, MO, 1937
Purchased 1964

St. Louis-San Francisco (Frisco) Railway
No. 759, Lot #6336
Chair Car, 56 reclining seats, segregated (Rebuilt with streamlined roof 1944)
American Car & Foundry Company, St. Louis, MO, 1912
Donated 1966

Texas & Pacific Railway
No. 1143 (Ex 1677, ex 1560, ex 1506, ex 12??), Lot #4569
Chair Car, 56 reclining seats, segregated (Modernized 1953)
Pullman Car Works, Chicago, IL, August, 1920
Donated 1967

Texas & Pacific Railway
No. 1038* (Ex 916, ex 816, ex 64), Lot #4502
Railway Post Office-Baggage Car (Built as coach-baggage car, rebuilt to coach-mail 1925,
rebuilt to railway post office-baggage car 1941, modernized 1954)
Pullman Car Works, Chicago, IL, February, 1918
* This car never saw service as 1038, the number was assigned during a 1963 shopping during
which the car was condemned upon discovery of a cracked frame and subsequently retired.
Donated 1964

Atchison Topeka & Santa Fe Railway Company
No. 3197, Lot #6601 Plan #7428
Coach Observation Car, 36 deluxe reclining leg-rest seats
Lightweight, streamlined, stainless-steel over carbon steel construction
Pullman-Standard, Chicago, IL, March 1940
Donated 1969

National Railroad Passenger Corporation (Amtrak)

"Loch Tarbet" No. 2090, ex 2028 (Ex Burlington Northern / Northern Pacific "Loch Tarbet"
329,

ex Missouri Pacific "Southland" 699 leased from Budd)

Job #9691-090 (Spec.) Pullman Plan #9540

Sleeping Car, 24 single room, 8 double room Slumbercoach

The Budd Company, Red Lion Plant, Philadelphia, PA, Sept. 1959

Retired 1996, Purchased 2005

National Railroad Passenger Corporation (Amtrak)

"Pine Ring" No. 2997 ex 2731 (Ex Santa Fe "Pine Ring" 1642) Job #9660-038, Pullman Plan
#9521

Sleeping Car, 10 roomette, 6 double bedroom

The Budd Company, Red Lion Plant, Philadelphia, PA, Mar. 1950

Retired 1995, Donated 2005

National Railroad Passenger Corporation (Amtrak)

No. 2532 ex 2012, (Ex SCL 6702, ex B&O "Gull" 7102) Job #9658-137, Pullman Plan
#9536

Sleeping Car, 16 duplex-roomette, 4 double bedroom

The Budd Company, Red Lion Plant, Philadelphia, PA, June 1954

Retired 1982, Purchased 2005

Atchison Topeka & Santa Fe Railway Company

No. 1550 Job #9627-013

Dining Car, 14-seat lunch counter, 20-seat dining section, full-service kitchen

The Budd Company, Red Lion Plant, Philadelphia, PA, Mar. 1948

Retired 1969, Purchased 2005

Algoma Central Railway

No. 504 (Ex Cadillac & Lake City Ry. "Emerald Lake", ex Santa Fe 1554) Job #9627-013

Dining Car, 14-seat lunch counter, 20-seat dining section, full-service kitchen

The Budd Company, Red Lion Plant, Philadelphia, PA, Mar. 1948

Retired ??, Donated 2005

Freight Cars

Kansas City Southern Lines

No. 7460

Box Car, 40 ft., Outside braced, wood side, steel underframe

Builder unknown, 1924

Donated 1967

Lone Star Gas Company (Lone Star Producing Company)

No. L.S.G.X. 1817 (Ex Lone Star Producing Company LSPX 1817)

Tank Car, Petroleum products ("Ranger Era" tank car built for Chestnut & Smith Corp.)

General American Tank Car Company, 1917

Donated 1966

Genesee & Wyoming Railroad
No. GNWR 1032
Refrigerator Car, 65 ft. Sub-zero, mechanical, diesel
Pacific Car & Foundry, 1968
Donated 1991

Western Pacific Railroad
No. 68652
Box Car, 55 ft., double plug door, all-steel
American Car & Foundry Company, 1966
Donated 1997

St. Louis-Southwestern (Cotton Belt) Railway
No. 2332 (Ex 49028 on AFE 4206)
Caboose, Combination coach-baggage-crew car, wood with steel underframe, plan 624-E
StLSW, Oct. 1920
Donated 1966

Texas & Northern Railway (Lone Star Steel Company, Lone Star, TX)
(Ex Malakoff Fuel & Iron Co., ex Port Bolivar and Iron Ore Railroad, ex Buffalo Rochester
and Pittsburgh Railway)
Number unknown
Caboose, 4-wheel "Bobber" type, all-wood
BR&P Lincoln Park Car Shops, Rochester, NY 1895
Donated 1964

Atchison Topeka & Santa Fe Railway Company
No. 999311
Caboose, Class CE-1, all steel
Santa Fe Railway, Topeka Shops, 1949, rebuilt 1968
Donated 2001

Other Equipment

American Smelting & Refining Company (Asarco), Baltimore MD Plant
Ex Revere Copper & Brass, Incorporated
No. 10
Class 8-DM-67, Diesel-mechanical locomotive, 8 ½ ton, 21 ½ inch (Hunt) gauge
Geo. D. Whitcomb Locomotive Company, Rochelle, IL, 1945
Purchased 2006

Union Pacific Railroad Company
No. MT14444M
Track "Speeder" Inspection Car, Motorized (Onan 2 cyl.), Model M-14, closed body
Fairmont, Railway Motors Inc., ca. 1977
Donated 1990

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Trackwork Incorporated (Ex Chicago Rock Island & Pacific Railroad)

No. RIMC 915

Track "Speeder" Inspection Car, Motorized (Fairmont 1 cyl.), Model S2E, open body

Fairmont Railway Motors Inc., ca. 1955

Donated 1991

Gifford-Hill & Company

No. H109

Handcar, wood

Donated 1964

Railway Express Agency

VIN No. IGY-34280

Delivery Truck, Box Type, 1-Ton Chassis

Ford Motor Company, 1941

Retired 1955, Purchased 2004

Santa Fe Railway, Cleburne Shops

Freight Car Truck, arch-bar type with hollow cast wheels

ca. 1900

Donated 1988

Santa Fe Railway, Cleburne Shops

Freight Car Truck, Andrews type

ca. 1920

Donated 1988

MUSEUM COLLECTIONS - STRUCTURES

Houston & Texas Central Railroad (Southern Pacific Lines)

Dallas Depot, (Eakin St. Yard Office), wood frame construction

Southern Pacific standard plan, ca. 1900

Original Location: South Lead to SP Yard & Eakin Street, Dallas, Texas

Purchased 1963

Houston & Texas Central Railroad (Southern Pacific Lines)

Handcar Shed, wood frame construction (Originally located adjacent to depot)

Southern Pacific standard plan, ca. 1905

Donated 1963

Missouri-Kansas-Texas Lines

Railroad Crossing Guard's Shanty, all-wood construction

Original Location: MKT Line & Knox Street, Highland Park, Texas

Donated 1963

Workshop/Parts Storage Building
Originally built to house steam boiler
Matches H&TC Buildings, wood frame construction
Constructed 1964

Steam Boiler & Machinery Building
Matches H&TC Buildings, wood frame construction
Houses 40 HP Columbia stationary boiler, mfg. 1979
Provides steam to operating locomotive whistle collection, turbo-generator, and Santa Fe
Cleburne Shop Whistle
Constructed 1992

Gulf, Colorado & Santa Fe Railway
Interlocking Tower Building (Tower 19), wood frame construction, Craftsman style
Santa Fe standard plan (modified), ca. 1903
Equipped with General Railway Signal 103-function electric interlocker machine, 1952
Originally located at intersection of GC&SF and M-K-T Railways in South Dallas
Retired 1993, Donated 1996

MUSEUM COLLECTIONS - RAILWAY INFRASTRUCTURE

Railway Express Agency
Baggage Carts (4)

Railway Express Agency
Casket Cart

Dallas Union Terminal Company
32 VDC Standby Generators (4)

Various Lineside Signals and Signage

Steel truss type signal bridges (4) from Tower 19 Interlocking Plant

Exhibit "B"

Phases of Development

Exhibit "B"
MAR Development Agreement
Phases of Development
Page 1 of 3

Phases of Development for the Construction of Permanent Track & Facilities, and Movement of the Museum's Rolling Stock Collection and Structures to the Frisco, Texas Site

PHASE I: 2009-2011
PLANNING

- Using current data from Frisco CVB, Chamber, ISD, etc., conduct market analysis to determine general audience potential and educational program needs in Frisco and surrounding communities and school districts. *Completed*
- Museum to prepare preliminary diagram of trackage and permanent structures at the 12.34 acre Frisco site, showing entrance of lead track and its proximity to the BNSF Main Line and Cotton Gin Road, layout of exhibit trackage, minimum setback of permanent structures, and designated parking. *Completed*
- The City of Frisco and its various departments including Planning & Zoning, and Building Inspection approve the preliminary diagram including any recommended changes. Also included should be any environmental concerns, including substrate, watershed/drainage, and flood issues. *Completed*
- Approve conceptual engineering report from Lunsford Associates showing museum trackage, location of future permanent structures, and utilities, based on the preliminary diagram, current topographical, boundary, and utilities surveys, etc. *In Progress*
- City of Frisco, Burlington Northern Santa Fe (BNSF) Railway and the Museum agree on the placement of switch and lead track to allow rail access to the museum site. Every effort should be made (including any incentives from Frisco) to impress upon BNSF the importance of maintaining a permanent museum connection to their main line.
- Museum contracts with engineering firm to prepare final design and specifications for Phases I & II of the rail plant (track layout) at the museum site, including substrate requirements.
- City of Frisco approves final design and specifications of rail plant including any recommended changes.
- Conduct a Capital Campaign Feasibility Study.
- Implement the initial phase of a Capital Campaign to fund planning projects and match City of Frisco funds for Phase I construction (\$500,000 to \$1 million). We have the option to raise Phase II funds (\$33 to \$43 million) concurrently with Phase I if the Campaign Feasibility Study reveals a climate conducive to this. Otherwise, Phase II fund raising will begin immediately upon completion of Phase I.
- Create a Visitor Experience Concept Plan that develops a thematic framework for major exhibits. This plan defines the project intellectually and spatially to create a museum that is relevant and maximizes our audience potential.
- Determine staffing needs and prepare a Table of Organization for each phase of development.

Exhibit "B"
MAR Development Agreement
Phases of Development
Page 2 of 3

- Finalize and approve a Museum Master Plan that takes into account current needs as well as previous conceptual plans and relevant elements of the 2006 Strategic Plan.
- Develop specifications and select an architect for the museum's permanent structures.

PHASE I: 2009-2011
CONSTRUCTION

- BNSF constructs a switch in their main line or other designated location such as the existing feed siding (BNSF Clic 8202) if it is to remain in service. This switch provides access to the museum's lead track from the General System.
- A permanent lead track is constructed from BNSF's switch southward along their main line to the entrance point at the northeast corner of the museum property at the foot of Cotton Gin Road. This track, ranging in length from 500 – 1500 feet depending on placement of the switch, may be constructed by BNSF and/or private track contractor. An opportunity may exist to use surplus materials from the removal of existing sidings along this alignment.
- Museum contracts with a site preparation company to grade the site and compact the soil for proper drainage, allowing for construction of trackage and permanent buildings.
- Museum contracts with a track construction company to build the Phase I track layout at the museum site. This consists of lead and tail track (approximately 1,200 feet) along with five to seven 300-400 foot stub-end exhibit tracks – enough to accommodate the movement and placement of the museum's 2,500 feet of rolling stock (see diagram 1). If funds are available, Phase II track will also be constructed (all or in part) at this time.
- The museum contracts to build a full perimeter decorative security fence.
- The museum ceases operations at its Fair Park location.
- The museum, with appropriate credentials, i.e. mechanical inspections and/or FRA waivers, contracts with the Dallas, Garland & Northeastern (DGNO) / BNSF Railroads to move its entire rolling-stock collection (see roster of collection) to Frisco.
- The museum contracts with a crane and trucking company to transport pieces of rolling stock which cannot travel by rail, i.e. Frisco steam locomotive #1625 and Buffalo, Rochester & Pittsburgh Caboose #11.
- The museum's Texas Landmark structures (see roster) are moved to Frisco placed on permanent foundations as exhibits (pending the ability to move oversized/excess height structures over roadways).
- Connect basic utilities to structures and selected pieces of rolling stock.
- The museum opens its collection to the public and provides programming at its new Frisco site, with its initial operations on par with its current Fair Park operation.

PHASE II: 2011-2019

(Some of which may take place concurrently with Phase I)

- The museum finalizes architectural plans and renderings for permanent structures and submits to City of Frisco for approval.
- Museum contracts with a track construction company to build additional track not constructed in Phase I. This may include additional stub-end exhibit tracks and access to new shop facilities. The tail track would also be extended to serve Grand Park to the south and west as necessary.
- The museum contracts with construction firm(s) to build permanent structures and complete Phase II of facilities construction.
- The museum expands the scope of its operations and programming as facilities are completed.

PHASE III: 2020

- Construct permanent shop facilities as part of an expanded, working museum of railway technology that includes a train ride, four-stall roundhouse and turntable on west edge of footprint.

Note: This plan does not contain exact dates for completion or costs associated with each step. It is intended to provide a sequence of events necessary to construct the basic facilities and re-locate the museum's permanent collection from Fair Park to Frisco. It also provides for the construction of permanent facilities and expanded programs & services as part of additional phases of development.

Exhibit "C"

Project Land

Exhibit "C"
MAR Lease Agreement
Project Land
Page 1 of 2

FIELD NOTES - LOT 3

BEING a tract or parcel of land situated in the City of Frisco, Collin County, Texas; being a part of the Lewis H. McNeil Survey, Abstract No. 618, and being part of that tract of land conveyed to Frisco Community Development Corp. by Deed recorded in Volume 5990, Page 2717, Deed Records, Collin County Texas; being a part of Lot 1, Block 1, of the Replat of Beals Aerospace Addition to the City of Frisco, Collin County, Texas, and being a part of and being more particularly described as follows:

COMMENCING at a 1/2 inch iron rod with yellow cap marked (RPLS 4023) set for corner, being the northwest corner of said Lot 1;

THENCE North 89°23'44" East a distance of 788.17 feet to a 1/2 inch iron rod with yellow cap marked (RPLS 4023) set for corner;

THENCE North 89°23'44" East a distance of 788.17 feet to a point for corner;

THENCE South 24°39'41" West a distance of 941.63 feet to a point for corner;

THENCE South 66°02'50" West a distance of 432.47 feet to a point for corner;

THENCE North 00°00'00" East a distance of 1023.00 feet to the POINT OF BEGINNING and containing 12.345 acres of land, more or less.

Exhibit "C"
MAR Lease Agreement
Project Land
Page 2 of 2

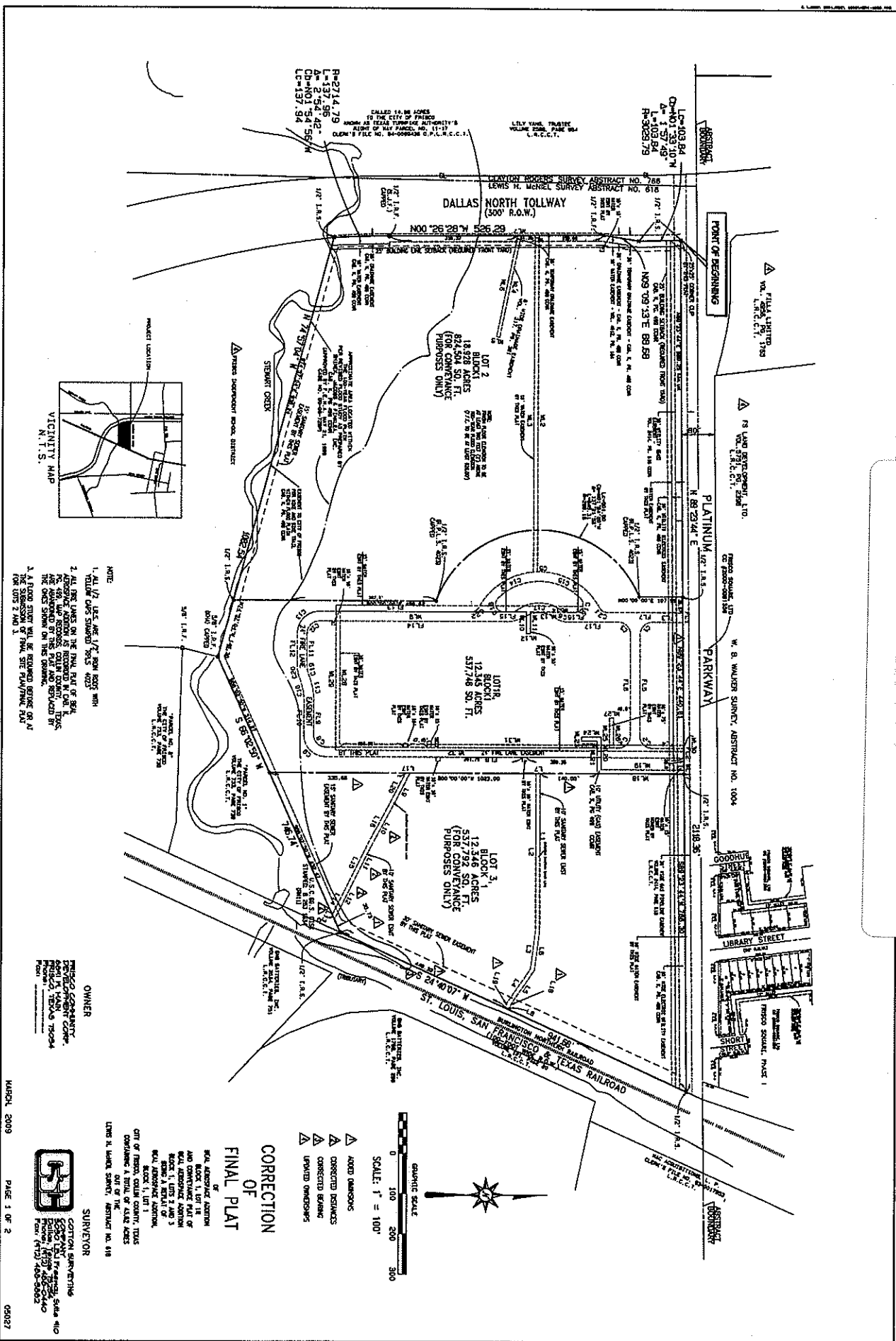


EXHIBIT "D"

Lease Agreement

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") is made this ____ day of _____, 2009, by and City of Frisco, Texas, a municipal corporation of the State of Texas and a home rule city (the "Lessor" or "City"), and the Museum of the American Railroad, a 501 (c) (3) not-for-profit Texas Corporation (the "Lessee" or "MAR"). Lessor and Lessee sometimes are referred to herein collectively as the "Parties" or singularly as a "Party".

RECITALS

A. Lessor owns land in an area known as the Heritage Center located in downtown Frisco, which the Lessor intends to develop into a system of parks, museums, commercial and residential uses, and recreational facilities that will ultimately make downtown Frisco a family-oriented destination; and

B. Lessee owns a significant collection of railroad Rolling Stock currently on display in Fair Park, Dallas, Texas; and

C. Lessor and Lessee have heretofore entered into a Development Agreement, dated _____ ("Development Agreement"), providing for the relocation of the Lessee's Rolling Stock to the Land and the construction, development, operation, and maintenance of a substantial museum dedicated to the history of the American Railroad (the "Facility") to be located on the Land as an entertainment, educational, and tourism destination; and

D. Lessor desires to lease to Lessee, and Lessee desires to lease and take from Lessor, the Leased Premises on the terms set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the recitals set forth above and the mutual covenants and agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged and confessed by each of the parties hereto, the parties hereto have agreed and, intending to be legally bound, do hereby agree as follows:

ARTICLE I

Grant, Term of Lease and Certain Definitions

1.1 Leasing Clause. Upon and subject to the terms and provisions contained herein, Lessor does hereby lease, demise and let unto Lessee, and Lessee does hereby take and lease from Lessor, the Leased Premises, to have and to hold the Leased Premises, together with all the rights, privileges, easements and appurtenances belonging to or in any way pertaining to the Leased Premises, for the term and subject to the provisions hereinafter provided.

1.2 Term.

1.2.1 Initial Term. The Initial Term of this Lease shall commence on the date that this Lease Agreement is executed by all parties (the "Commencement")

Date") and shall terminate two (2) years after the Commencement Date unless the Lessee qualifies for the First and/or Second renewal terms as described herein. During the Initial Term, MAR shall prepare a general site plan and layout of the Facility, shall install the trackage and switches necessary to relocate the Rolling Stock collection from Fair Park, Dallas, to the Land, shall construct the improvements required under Phase I on the attached Exhibit B (the "Phase I Improvements"), shall physically relocate the Rolling Stock collection from Fair Park, Dallas to the land and shall substantially discontinue operations at Fair Park, Dallas.

1.2.2 First Renewal Term. At the end of the Initial Term and upon the completion of the Phase I Improvements and the acceptable operation of the Facility, the Lease shall automatically be renewed for a term of ten (10) years (the "First Renewal Term"). During the First Renewal Term, MAR shall operate the Facility in accordance with the provisions of the Development Agreement and this Lease and shall plan for and undertake using its best efforts, the items set forth under Phase II on the attached Exhibit B ("Phase II Requirements").

1.2.3 Second Renewal Term. Upon completion of the Phase II Requirements, the Leased Premises should be valued at a minimum of 20 million dollars fair market value. If the Phase II Requirements are completed and the Lease Premises (including the value of all collections and Rolling Stock) are valued at 20 million dollars fair market value, the Lease shall automatically be renewed for an additional term of twenty-eight (28) years (the "Second Renewal Term").

1.2.4 Third Renewal Term. Upon satisfactory compliance the Lease and completion of the Term, First Renewal Term, and Second Renewal Term, MAR may request that the City extend the Lease for an additional forty (40) years under such terms and conditions as the parties may at that time determine (the "Third Renewal Term"). Such extension by the City shall not be unreasonably denied.

1.3 Certain Definitions. The following terms shall have the meaning set forth in this Section 1.3:

1.3.1 Affiliate. With respect to any entity, each entity that controls, is controlled by or is under common control with such entity. For the purposes of this definition, "control" of an entity shall mean the possession, directly or indirectly, of the power to direct or cause the direction of its management or policies, whether through the ownership of voting securities, by contract, by virtue of being an executive officer or a director or otherwise.

1.3.2 AV Taxes. Any and all property taxes and ad valorem taxes assessed against the Leased Premises or Lessee's interest therein that accrue during and are applicable to the Term.

1.3.3 City. The City of Frisco, Texas, a municipal corporation of the State of Texas and a home rule city.

1.3.4 Commencement Date. The date first set forth above in Section 1.2 of this Lease.

1.3.5 Development Agreement. Has the meaning set forth in the Recitals.

1.3.6 Event of Default. Has the meaning set forth in Section 10.1.

1.3.7 Facility. Has the meaning set forth in the Recitals.

1.3.8 Force Majeure. Any unforeseeable causes beyond a Party's control and without such Party's fault or negligence, including, but not limited to, acts of God, acts of the public enemy, acts of the Federal Government, acts of the other Party, fires, floods, epidemics, quarantine restrictions, strikes, lockouts, riots, war, acts of terrorism, freight embargoes, and unusually severe weather or unforeseen environmental or archaeological conditions requiring investigation/mitigation by federal, state or local laws.

1.3.9 Hazardous Materials. Has the meaning set forth in Section 7.7.3.

1.3.10 Impositions. Taxes and assessments against the Leased Premises or Lessee's interest therein that accrues during and are applicable to the Term.

1.3.11 Improvements. All buildings, structures, equipment, and fixtures, and related infrastructure from time to time connected, installed or situated on the Land, including all landscaping.

1.3.12 Land. The certain tract of land situated in the City of Frisco, Collin County Texas, described in Exhibit A attached hereto and made a part hereof for all purposes.

1.3.13 Lease. This Lease Agreement by and between Lessor, as lessor, and Lessee, as lessee, covering the Leased Premises.

1.3.14 Lease Year. Any calendar year period during the Term commencing January 1 and ending on the next following December 31; save and except the first Lease Year which shall commence on the Commencement Date and end on the December 31 next following.

1.3.15 Leased Premises. The Facility, the Land, and all other Improvements, together with all other rights, privileges, easements and appurtenances benefiting, belonging to or in any way appertaining thereto, including, without limitation, (a) any and all rights, privileges, easements and appurtenances of Lessor to the Land now or hereafter existing, (b) subsurface rights below the surface of the Land, (c) reversions which may hereafter accrue to Lessor by reason of the closing of any adjacent street, sidewalk or alley or the abandonment of any rights by any governmental authority, (d) any and all strips and gores relating to the Land, (e) any and all air rights over and above the Land, and (f) the non-exclusive right to use the parking lots located within The Heritage Center provided by Lessor and City.

1.3.16 Lessee. The Museum of the American Railroad or any assignee thereof as provided in Section 8.1 hereof.

1.3.17 Lessor. The City of Frisco, Texas, a home rule municipality located in Collin County, Texas.

1.3.18 Lessor Entity. Lessor or any governmental body, agency or political subdivision to which Lessor transfers the Lease.

1.3.19 Plans. The Plans relating to the Leased Premises prepared by an architect selected by Lessor and accepted by Lessee and the City.

1.3.20 Related Infrastructure. Any road, street, railway, water or sewer facility, plaza, pedestrian circulation area or other improvement on the Land that relates to and enhances the use, value or appeal of the Facility, including, without limitation, areas adjacent to the Facility and any items reasonably necessary to construct, improve, renovate or expand the Facility, excluding environmental remediation.

1.3.21 Rent. The lease payments for the Leased Premises provided in Article 2 hereof.

1.3.22 Rolling Stock. Means those items described in Exhibit C.

1.3.23 Sublessee. Any person or entity to whom or to which Lessee grants or licenses any rights to occupy, use, operate, manage or provide services within the Leased Premises.

ARTICLE II

Lease Payment

2.1 Rent. Lessee shall pay to Lessor on or before January 1st of each year of the Term, without offset, deduction, demand or notice, rent ("Rent") in an amount equal to one dollar and 00/100 cents (\$1.00), commencing on the Commencement Date and continuing through all applicable terms.

ARTICLE III

Impositions, Fees and Utilities

3.1 Payment of Impositions. Except as provided elsewhere in this Article 3, Lessee shall pay all Impositions before the same become delinquent, and Lessee, at the request of Lessor, shall furnish to Lessor receipts or copies thereof showing payment of such Impositions. Lessee shall be entitled to pay any Impositions in installments as and to the extent the same may be permitted by the applicable taxing authority or claimant. Lessor agrees to cooperate with Lessee in seeking the delivery of all notices of Impositions to Lessee directly from the applicable taxing authorities. Lessor shall promptly deliver all notices of Impositions to Lessee which are delivered to Lessor. In no event shall Lessee be in default under this Lease for failure to pay any Impositions before the same become delinquent for which the notice of such

Impositions shall have been delivered to Lessor and not forwarded or delivered to Lessee at least thirty (30) days before the date the same become delinquent.

3.2 Contest of Impositions. If the levy of any of the Impositions shall be deemed by Lessee to be improper, illegal or excessive, or if Lessee desires in good faith to contest the Impositions for any other reason, Lessee may, at Lessee's sole cost and expense, dispute and contest the same and file all such protests or other instruments and institute or prosecute all such proceedings for the purpose of contest as Lessee shall deem necessary and appropriate. Subject to the foregoing, any item of contested Imposition need not be paid until it is finally adjudged to be valid. Lessee shall be entitled to any refund of any Imposition (and the penalties or interest thereon) refunded by the levying authority pursuant to any such proceeding or contest, if such Imposition shall have been either (a) paid directly by Lessee, or (b) shall have been paid directly by Lessor and Lessor was reimbursed therefor by Lessee.

3.3 Standing. If Lessee determines that it lacks standing to contest any Impositions imposed by a governmental authority other than any Lessor Entity or to obtain an extended payment period for any such non-Lessor Entity Impositions, Lessor (to the maximum extent allowed by law) and at Lessee's expense shall join in such contest or otherwise provide Lessee with sufficient authority to obtain such standing.

3.4 Certain Provisions Related to AV Taxes and Impositions. Lessor and Lessee acknowledge that the Leased Premises, and Lessee's leasehold interest in the Lease, other than Lessee's leasehold improvements therein, presently are presumed to be exempt from AV Taxes and Impositions under the laws of the State of Texas as of the Commencement Date, and it is the intention of the Parties that during the Term, Lessee not incur any AV Taxes or Impositions relating to the Leased Premises or Lessee's leasehold interest in the Lease other than as such AV Taxes or Impositions pertaining to Lessee Improvements (hereinafter defined). Lessor, at the request and expense of Lessee, agrees to jointly take and pursue such lawful actions with Lessee, including, if necessary, judicial actions, as may be available, to protect and defend the title of Lessor in and to the Leased Premises or Lessee's leasehold interest in the Lease, against the levy, assessment or collection of AV Taxes or Impositions. In the event that AV Taxes or Impositions are subsequently imposed upon the Leased Premises or Lessee's leasehold interest in the Lease (other than such AV Taxes or Impositions pertaining to Lessee's leasehold improvements), the parties hereto agree to restructure the Lease, and permit Lessee's assignment of its interest in the Lease, if necessary, in order to preserve or establish the tax exempt status of the Leased Premises and the Lessee's leasehold interest therein as long as the tax exempt status of Lessor's indebtedness and Lessee's economic obligations arising pursuant to the Lease would be the same as they were prior to the change in the tax exempt status.\

3.5 If, for any reason, the Leased Premises or interest of Lessor or Lessee in and to any of the Leased Premises should no longer be exempt from AV Taxes by reason of a change of law or otherwise, or any Lessor Entity levies and assesses an AV Tax against the Leased Premises or the interest of Lessee in the Leased Premises, then Lessee shall, to the extent required by Lessor, pay such AV Taxes before they become delinquent, subject to Lessee's right of contest as provided in Sections 3.2 and 3.4 hereof and the Parties' obligation to restructure the Lease as provided in Section 3.4 hereof.

3.6 Utilities. Lessee shall pay all bills for utility service provided to the Leased Premises during the Term. City shall assist Lessee in obtaining the lowest available rates for utilities.

ARTICLE IV **Improvements**

4.1 Improvements, Removals and Replacements. Any fixtures, materials, or equipment installed on the Leased Premises may not be removed by Lessee at any time without the prior consent of Lessor, which consent shall not be unreasonably withheld or delayed. Such fixtures, materials, and/or equipment shall be replaced with reasonably comparable Improvements when replacement is required by the Lessor. Lessee shall also repair any damage to the Leased Premises caused by such removal, including the patching of holes and painting.

4.2 Capital Expenditures. In addition to the Rent and not in lieu thereof, Lessee shall be responsible for all costs associated with the maintenance and operation of the Facility for the proposed lease term, including all structural aspects.

4.3 Zoning and Permits. In the event Lessee deems it necessary or appropriate to obtain zoning, site plan approval, or any permit from Lessor or any other governmental entity having jurisdiction over the Leased Premises or any part thereof, Lessor, from time to time on request of Lessee and to the extent necessary as fee owner of the Leased Premises, shall execute such documents or join in such petitions, applications and authorizations, as deemed reasonable or necessary by Lessor. Lessee shall be solely responsible for the cost of any permits or other fees associated with the Facility.

4.4 Personal Property. All personal property installed or situated from time to time in the Leased Premises and paid for by Lessee shall remain the property of Lessee (or any Sublessee installing same) except for such items of personal property as Lessor may purchase and own as part of the Leased Premises or such items of personal property which have been purchased by Lessee in substitution or replacement of personal property items originally purchased by Lessor.

4.5 Intellectual Property Rights. Lessor shall own and hereby grants to Lessee a continuing, non-assessable, exclusive, non-cancelable license during the Term hereto to all intellectual property rights in, to and relating to the Facility, whether now in existence or created in the future, including, without limitation, all copyrights, trademarks, broadcast, trade dress and merchandising rights, in or relating to, the Facility, all names, logos and likenesses, as well as the rights to protect, enforce, and license any or all of the foregoing.

ARTICLE V

Use of Premises

5.1 Lessee's Use. Lessee shall have the right to use the Leased Premises for the development, construction, maintenance and use of the Facility and for any other lawful purposes that do not unreasonably interfere with or interrupt the use or operation of the Facility primarily as a museum facility as provided herein.

5.2 Operation of Facility. Lessee covenants and agrees that it will maintain the Facility as a substantial museum dedicated to the history of the American Railroad; that it will maintain the museum collection in keeping with such standards as the Lessee and Lessor from time to time may agree; that it will continuously operate the Facility and keep it open on such days and during such hours as will allow the citizens of the City and the general public access to the collection, subject to reasonable restrictions; that it will not allow any portion of the Facility, and/or Leased Premises to fall into disrepair or become an eyesore, hazard, or nuisance; and that it will at all times abide by the laws, regulations, and ordinances of the City.

5.3 Compliance with Laws. Lessee agrees not to use the Leased Premises for any use or purpose in violation of any valid and applicable law, regulation or ordinance of the United States, the State of Texas, the City of Frisco or other lawful governmental authority having jurisdiction over the Leased Premises, including, without limitation, the Americans with Disabilities Act of 1990, as amended; provided, however, there shall be no violation by Lessee of this provision (i) so long as Lessee shall, in good faith within a reasonable time after Lessee acquires actual knowledge thereof, by appropriate proceedings and with due diligence, contest the alleged violation or the validity or applicability of the law, regulation or ordinance; (ii) until Lessee has had a reasonable time after a final adjudication that such law, regulation or ordinance, in fact, has been violated; (iii) so long as neither Lessor nor any portion of the Leased Premises, during the period of such contest, will be subject to any liability, loss, penalty or forfeiture; and (iv) so long as Lessee is in compliance with the terms of the development agreement governing the Facility as of the date of this Lease and are using the Leased Premises in accordance with the use provision set forth in this Lease.

5.4 Maintenance, Repair, and Termination.

5.3.1 Lessee shall keep all Improvements and Rolling Stock that is on exhibit in a state of good repair on a regular and ongoing basis, including the replacement of all mechanical and operating systems associated with such Improvements. If the Leased Premises is at any point damaged, the Lessee shall, as soon as reasonably practicable but in no event later than one hundred eighty (180) days after the date such damage occurs, commence the work of repair, reconstruction or replacement of the damaged Improvement.

5.3.2 Upon termination of this Lease, Lessee shall deliver up the Leased Premises in good condition, ordinary wear and tear excepted. If the termination of this Lease is predicated on the Lessee's default, or if the Lease terminates because the Lessee failed to qualify

for an automatic term renewal, the Lessee agrees that the Lessor shall take full possession and ownership of the Leased Premises.

ARTICLE VI.

Promotion

6.1 **Promotion by Lessee.** Lessee agrees that it shall use its best efforts to coordinate its advertising and promotions for the Facility to provide recognition for the City.

6.2 **City Event Days.** Lessee agrees to reserve the Facility 5 days each year for the City or the City's designee to use for a public purpose.

ARTICLE VII

Insurance and Indemnity

7.1 **Liability Insurance.** Lessee agrees, at its sole expense, to obtain and maintain public liability insurance at all times during the Term hereof with reputable insurance companies authorized to transact business in the State of Texas for bodily injury (including death) and property damage with minimum limits of One Million Dollars and 00/100 (\$1,000,000.00) per occurrence and Two Million Dollars and 00/100 (\$2,000,000.00) General Aggregate protecting Lessor and Lessee against any liability, damage, claim or demand arising out of or connected with the condition or use of the Leased Premises. Such insurance shall include contractual liability, personal injury and advertising liability, business automobile (including owned, non-owned and hired) and independent contractor liability. Lessor, and its elected officials and its elected officials, shall be named as an additional insured, as their interests appear, on all insurance policies required by this Section 7.1. Lessee, its officers, directors, employees, partners and agents shall be named as an additional insured, as their respective interests appear, on all public liability policies obtained by Lessor and FISD which cover any events at the Facility.

7.2 **Workers' Compensation Claims.** **LESSEE AGREES, TO INDEMNIFY AND HOLD LESSOR HARMLESS FROM AND AGAINST ALL CLAIMS ARISING OUT OF OR MADE BY EMPLOYEES OF LESSEE, WHICH OTHERWISE WOULD BE MADE UNDER WORKERS' COMPENSATION INSURANCE AND MAINTAIN WORKERS' COMPENSATION INSURANCE, AS REQUIRED BY APPLICABLE LAW, DURING THE TERM. THE POLICY WILL BE ENDORSED TO PROVIDE A WAIVER OF SUBROGATION AS TO LESSOR.**

7.3 **Property Insurance.** At all times during the Term of this Lease, Lessor shall, at its sole expense, keep all buildings, improvements, and structures, on the Leased Premises (other than the rolling stock and collection) appropriately insured against "all risk" of loss for full replacement cost coverage, to include direct loss by fire, windstorm, hail, explosion, riot, civil commotion, aircraft, vehicles, smoke, boiler and machinery and flood. Coverage must be written by reputable insurance companies authorized to transact business in the State of Texas.

7.4 **Policies.** All insurance policies required by this Article 7 (except in connection with any insurance to be maintained by Lessor pursuant to Section 7.3) shall provide for at least thirty (30) days written notice to Lessor before cancellation and certificates or copies of policies

of insurance shall be delivered to Lessor. If any blanket general insurance policy of Lessee complies with the terms of this Article 7, the naming of Lessor therein as an additional insured shall be deemed compliance with the requirements for the insurance coverage provided in any such blanket policy. Lessor and Lessee hereby waive all claims, rights of recovery and causes of action that either Party or any party claiming by, through or under such Party by subrogation or otherwise may now or hereafter have against the other Party or any of the other Party's present and future subsidiaries, Affiliates, partners, officers, directors, employees, direct or indirect stockholders, agents, other representatives, successors and assigns for bodily injury (including death) to persons, or loss or damage to property of Lessor and Lessee whether caused by the negligence or fault of Lessor and Lessee or their partners, directors, officers, employees, agents or representatives or otherwise, to the extent that the injuries, losses or damages are covered by the proceeds of insurance policies maintained by either Party.

7.5 Adjustment of Losses. Any loss under any such insurance policy required under Section 7.3 hereof shall be made payable to Lessee for the benefit of Lessee and Lessor, to the end that Lessee shall be entitled to collect all money due under such insurance policies payable in the event of and by reason of the loss of or damage to the Leased Premises, to be applied pursuant to Section 7.6 below. Any accumulation of interest on the insurance proceeds collected by Lessee shall be added to, and become a part of, the fund being held by Lessee for the benefit of Lessor and Lessee. The adjustment of losses with the insurer shall be made by Lessee.

7.6 Application of Proceeds of Property Insurance. All proceeds payable pursuant to the provision of any policies of property insurance required to be carried under the terms of this Lease (net of reasonable expenses of collection) shall be applied for the following purposes:

7.6.1 All such net proceeds shall first be used, subject to any other terms and conditions contained in this Lease, as a fund for the rebuilding, restoration and repair of the portion of the Leased Premises which have become destroyed or damaged for which such proceeds are payable; and

7.6.2 Following completion of all work under subsection (a) above, any proceeds not disbursed pursuant to subsection (a) above shall be applied to future Rent.

7.7 Environmental Investigation and Remediation.

7.7.1 Lessor makes no representation or warranty concerning the condition of the Leased Premises.

7.7.2 Lessee shall be responsible for performing any environmental investigation and remediation work which may be required in connection with the use and occupancy of the Leased Premises and which is caused by the presence of Hazardous Materials on the Leased Premises, except and to the extent the presence thereof results solely from the act of Lessor or its officers, employees, agents or representatives in which event the Lessor shall be responsible at its sole expense for performing any environmental investigation and remediation work which may be required in connection with the use and occupancy of the Leased Premises and which is caused by the presence of Hazardous Materials on the Leased Premises. Such environmental investigation and remediation work shall be conducted in accordance with all

applicable laws. Lessee shall notify and advise Lessor of the remediation Lessee will undertake and the procedures to be used. Lessee shall complete the remediation with due diligence and shall use commercially reasonable efforts to comply with, and shall cause its agents and contractors to comply with, all applicable laws regarding the use, removal, storage, transportation, disposal and remediation of Hazardous Materials. Lessee's obligation as provided herein to undertake environmental investigation and remediation of the Leased Premises shall be a continuing obligation of Lessee which shall survive throughout the Term.

7.7.3 The term "Hazardous Materials" means any substance, material, or waste which is now or hereafter classified or considered to be hazardous, toxic or dangerous under any federal, state or local laws, rules and regulations (collectively "Laws") affecting the Leased Premises relating to pollution or the protection of human health, natural resources or the environment, but shall exclude any such items that are necessary for the ordinary performance of Lessee's activities, provided that such are used, stored and disposed of in compliance with all Laws. If Lessee breaches its obligations under this Section 7.7 and such breach is not cured following notice and within the applicable cure period specified in Article 10 below, Lessor may take any and all action reasonably appropriate to remedy such breach and Lessee shall promptly pay all reasonable costs incurred by Lessor in connection therewith.

7.7.4 The provisions of this Section 7.7 shall survive the termination of this Lease and are solely for the benefit of Lessor and shall not be deemed for the benefit of any other person or entity.

ARTICLE VIII

Assignment and Subletting

8.1 Assignment. Lessee shall not sell or assign the leasehold estate created hereby without the consent of Lessor, which consent may not be unreasonably withheld, conditioned or delayed; provided, however, Lessee may, without the consent of Lessor, assign or transfer this Lease to any Affiliate of Lessee. Upon any such assignment, the assignee shall execute and deliver to Lessor a written assumption, in form and substance reasonably satisfactory to Lessor, of all of the obligations of Lessee pertaining to the Leased Premises and accruing under this Lease after such assignment. Lessee shall thereafter be released of all liabilities or obligations thereafter accruing under this Lease.

8.2 Subletting.

8.2.1 Lessee shall have the right at any time, without the consent of Lessor, to sublease all of the Leased Premises or the right to operate the Facility to any Affiliate of Lessee; provided, however, that no such subletting or assignment shall relieve Lessee of any of its obligations hereunder unless otherwise agreed in writing by Lessor, and all subleases shall be subject to the terms and provisions of this Lease.

8.2.2 No Sublessee shall have any right to sublease or otherwise assign or encumber its interest in the Leased Premises.

8.3 General Provisions. Lessee shall, in connection with any assignment or sublease, provide notice to Lessor of the name and address of any assignee or Sublessee, together with a complete copy of the assignment agreement or sublease.

8.4 Nondisturbance Agreement. Upon the written request of Lessee, Lessor will enter into a Nondisturbance Agreement (herein so called) with any Sublessee. Such Nondisturbance Agreement shall include such reasonable provisions as requested by a Sublessee, subject to the reasonable approval of Lessor, but in any event shall (a) reaffirm Lessor's ownership of the Leased Premises, (b) confirm (if true) that this Lease is in full force and effect without default by Lessee (or, if a default exists, specifying the default and the remedy required by the Lessor), (c) and, provide, in substance, that, so long as the Sublessee complies with all of the terms of its sublease or other applicable agreement, Lessor, in the exercise of any of its rights or remedies under this Lease, shall not deprive the Sublessee of possession, or the right of possession, of the subleased property during the term of the sublease, deprive the Sublessee of any other rights under the sublease or other applicable agreement or join the Sublessee as a party in any action or proceeding to enforce or terminate this Lease or obtain possession of the property leased in the sublease or other applicable agreement which would entitle Lessor to dispossess the Sublessee thereunder or otherwise terminate the Sublessee's rights thereunder.

ARTICLE IX

Default of Lessee

9.1 Events of Default. The following shall be considered defaults of the Lessee:

9.1.1 Lessee's failure to complete a phase in the time required under this Lease and the Development Agreement;

9.1.2 Subject to Section 9.3 below, Lessee's failure to continuously operate the Museum after installation on the Lease Premises with no gap in such operations which exceeds thirty (30) days and not caused by a force majeure;

9.1.3 Subject to Section 9.3 below, Lessee's failure to maintain its Rolling Stock (exclusive of those pieces awaiting restoration) and collection in good condition on the Leased Premises in their present condition, normal wear and tear excluded.

9.1.4 Lessee's failure to keep the museum improvements properly and appropriately insured, or to maintain general liability insurance in such amounts and naming the City as an additional insured, as required under this Lease;

9.1.5 Lessee's failure to abide by all City laws, regulations and ordinances;

9.1.6 Lessee's failure to pay one hundred percent (100%) of the rent when due and the continuation of such failure by ten (10) days after Lessor has provided to Lessee, in accordance with Section 8.1 of this Lease, a written notice of such failure;

9.1.7 Lessee's making of any general assignment for the benefit of Lessee's creditors;

9.1.8 Lessee's filing of a voluntary petition in bankruptcy or a voluntary petition for an arrangement or reorganization under the United States Federal Bankruptcy Act (or similar statute or law of any foreign jurisdiction);

9.1.9 The appointment of a receiver or trustee for all or substantially all of Lessee's interest in the Leased Premises or its leasehold estate hereunder if not removed within one hundred twenty (120) days; and

9.1.10 The entry of a final judgment, order, or decree of a court of competent jurisdiction and adjudicating Lessee to be bankrupt, and the expiration without appeal of the period, if any allowed by applicable law in which to appeal therefrom; and

9.1.11 Lessee's failure to perform any other obligations of this Lease or Development Agreement.

9.2 Notice of Default. In the event of any default by Lessee, Lessor shall have the right to deliver to Lessee a written notice specifying such default or non-payment. Lessee shall commence to remove or cure such default within thirty (30) days from and after the date of delivery of such notice and shall be proceeding with reasonable diligence to completely remove or cure such default (provided such default must be cured within one hundred eighty (180) days after such notice). If Lessee fails to remove or cure such default within this specified time, then the Lessor shall have all remedies available to Lessor at law or in equity; including, without limitation, termination, injunction, and specific performance, subject to the provisions of Article 9 of this Lease. All remedies of Lessor under this Lease shall be cumulative, and the failure to assert any remedy or the granting of any waiver (as provided in Section 13.16 hereof) of any event of default shall not be deemed to be a waiver of such remedy or any subsequent event of default.

9.3 Lessee agrees that if Lessee fails to cure default in the requisite time after the Lessor sends written notice of default during the Initial Term, the Leased Premises shall become the sole property of the Lessor and may not be removed from the land without the Lessor's previous consent.

ARTICLE X

Default of Lessor

10.1 Defaults and Remedies. In the event of any breach by Lessor of any covenant of Lessor under this Lease, Lessee shall have the right to deliver to Lessor a written notice specifying such breach or non-payment, and unless within thirty (30) days from and after the date of delivery of such notice Lessor shall have commenced to remove or to cure such breach or occurrence and shall be proceeding with reasonable diligence to completely remove or cure such breach or occurrence (provided such breach or occurrence must be cured within one hundred and eighty (180) days after such notice), then Lessee shall have all remedies available to it at law or in equity; including, without limitation, termination, injunction and specific performance. All remedies of Lessee under this Lease shall be cumulative, and the failure to assert any remedy or the granting of any waiver of any event of default shall not be deemed to be a waiver of any subsequent event of default.

ARTICLE XI

Condemnation

11.1 **Definitions.** Whenever used in this Article 11, the following words shall have the definitions and meanings hereinafter set forth:

11.1.1 **"Condemnation Proceeding"**. Any action brought for the purpose of any taking of the Leased Premises, or any part thereof or of any property interest therein, but excluding Rolling Stock (including, without limitation, the right to the temporary use of all or any portion of the Leased Premises), by competent authority as a result of the exercise of the power of eminent domain, including a voluntary sale to such authority either under threat of condemnation or while such action or proceeding is pending.

11.1.2 **"Taking"** or **"Taken"**. The event and date of vesting of title to the Leased Premises or any part thereof or any property interest therein (including, without limitation, the right to the temporary use of all or any portion of the Leased Premises), pursuant to a Condemnation Proceeding.

11.2 **Efforts to Prevent Taking.** Lessor shall use its best efforts to cause all other competent authorities with the power of eminent domain to refrain from instituting any Condemnation Proceedings or exercising any other powers of eminent domain with respect to the Leased Premises, or any part thereof or any interest therein, during the Term of this Lease.

11.3 **Entire Taking.** If all or substantially all of the Leased Premises shall be Taken in Condemnation Proceedings, Rent shall be fully abated from and after the date of such Taking and from and after such date Lessee and Lessor shall not have any other obligations under this Lease with respect to the Leased Premises, except for those obligations which expressly survive the termination hereof.

11.4 **Partial Taking.**

11.4.1 If less than all of the Leased Premises shall be Taken in any Condemnation Proceeding, the Lessee and Lessor shall not have any other obligations under this Lease with respect to the portion of the Leased Premises that has been Taken, except for those obligations which expressly survive the termination hereof.

11.4.2 If, following such Taking, Lessee determines in its sole and absolute discretion, that the remaining Leased Premises are not sufficient to operate a museum facility as intended by the Parties hereto, then Lessee, at its election, may vacate the Leased Premises, whereupon the Rent shall be fully abated from and after the date of such partial Taking, and from and after such date Lessee and Lessor shall not have any other obligations under this Lease with respect to the Leased Premises, except for those obligations which expressly survive the termination hereof. Such election to vacate must be exercised no later than ninety (90) days after the date of such Taking.

11.4.3 If Lessee does not elect to vacate the Leased Premises upon any partial Taking, then (i) the Leased Premises shall be reduced by the portion thereof taken, in the

Condemnation Proceedings, and the Rent payable hereunder shall be equitably reduced during the unexpired portion of the Term as provided above, and (ii) Lessee shall commence and proceed with reasonable diligence to repair or reconstruct the remaining Improvements on the Leased Premises, if any; provided, however, Lessee's obligation to so repair or reconstruct the remaining Improvements shall be limited to the proceeds of the condemnation award actually received by Lessee.

11.5 Temporary Taking. If any right of temporary (hereinafter defined) possession or occupancy of all or any portion of the Leased Premises shall be Taken, the Rent shall be reduced during the duration of such Taking in a fair and equitable manner that reflects the inability of Lessee to use the affected portion of the Leased Premises. A Taking shall be considered "temporary" only if the period of time during which Lessee is deprived of usage of all or part of the Leased Premises as the result of such Taking does not materially interfere in Lessee's sole and absolute discretion, with the ability of Lessee to use and operate the Leased Premises as a restaurant facility in the manner contemplated by the Parties hereto. Any other "Taking" that is not "temporary" as described above shall be treated as an entire Taking under Section 11.3 above or as a partial Taking under Section 11.4 above.

11.6 Condemnation Award.

11.6.1 No Taking shall have the effect of terminating this Lease. None of the provisions of this Article 11 shall affect the right, title or interest of Lessee in the leasehold interest created by this Lease. For the purposes of determining the portion of any condemnation award to which Lessee is entitled to receive from the condemning authority as a matter of law, Lessee's right, title and interest in the Leased Premises shall be granted and arising under this Lease without consideration of this Article 11. This Article 11 pertains only to Lessee's and Lessor's continuing obligations under this Lease following a Taking and to the agreement between Lessor and Lessee regarding any condemnation awards.

11.6.2 Any condemnation award (other than awards for the value of Lessee's leasehold interest or for the disruption of Lessee's business, all of which shall be the sole property of Lessee), shall be divided between Lessor and Lessee in accordance with the relative amounts expended by each Party for capital costs pertaining to the Leased Premises. Lessor shall deliver to Lessee that portion of any condemnation award that Lessor may receive to which Lessee is entitled as provided in this Section 11.6.2. The provisions of this Section 11.6.2 shall survive any such termination.

11.7 Settlement of Proceeding. Lessor shall not make any settlement with the condemning authority in any Condemnation Proceedings nor convey or agree to convey the whole or any portion of the Leased Premises to such authority in lieu of condemnation without first obtaining the written consent of Lessee.

ARTICLE XII.

Representations, Warranties and Special Covenants

12.1 Lessor's Representations, Warranties, and Special Covenants. Lessor hereby represents, warrants and covenants as follows:

12.1.1 Existence. Lessor is a home rule municipal corporation of the State of Texas, duly incorporated and currently existing pursuant to the constitution and laws of the State of Texas, including the Texas Local Government Code and Texas Government Code.

12.1.2 Authority. Lessor has all requisite power and authority to own the Leased Premises, to execute, deliver, and perform its obligations under this Lease and to consummate the transactions herein contemplated and, by proper action in accordance with all applicable law, has duly authorized the execution and delivery of this Lease, the performance of its obligations under this Lease, and the consummation of the transactions herein contemplated.

12.1.3 Binding, Obligation. This Lease is a valid and binding obligation of Lessor and is enforceable against Lessor in accordance with its terms.

12.1.4 No Defaults. The execution by Lessor of this Lease and the consummation by Lessor of the transactions contemplated hereby (i) do not, as of the Commencement Date, result in a breach of any of the terms or provisions of, or constitute a default, or a condition which upon notice or lapse of time or both would ripen into a default, under Lessor's charter or any resolution, indenture, agreement, instrument or obligation to which Lessor is a party or by which the Leased Premises or any portion thereof is bound; and (ii) do not, to the knowledge of Lessor, after reasonable inquiry, constitute, a violation of any law, order, rule or regulation applicable to Lessor or any portion of the Leased Premises of any court or of any federal, state or municipal regulatory body or administrative agency or other governmental body having jurisdiction over Lessor or any portion of the Leased Premises.

12.1.5 Consents. No permission, approval or consent by third parties or any other governmental authorities is required in order for Lessor to enter into this Lease, make the agreements herein contained or perform the obligations of Lessor hereunder other than those which have been obtained.

12.1.6 Quiet Enjoyment. During the Term of this Lease and subject to the terms of this Lease, Lessee shall have the quiet enjoyment and peaceable possession of the Leased Premises against hindrance or disturbance by Lessor or any person or entity acting by, through or under Lessor.

12.1.7 Proceedings. There are no actions, suits or proceedings pending or, to the reasonable best knowledge of Lessor, threatened or asserted against Lessor affecting Lessor or any portion of the Leased Premises, at law or at equity, or before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, domestic or foreign.

12.1.8 Impositions. Lessor has not received any notice of any condemnation actions, special assignments, or increases in the assessed valuation of taxes or any Impositions of any nature which are pending or being contemplated with respect to the Leased Premises or any portion thereof.

12.1.9 Compliance with Laws. Lessor has not received any notice of any violation of any ordinance, regulation, law, or statute of any governmental agency pertaining to the Leased Premises or any portion thereof.

12.1.10 Encumbrances. Lessor has good and marketable fee simple title to the Leased Premises, subject to no liens or security interest, and the Lessor has not placed or granted any liens or security interests against the Leased Premises. There are no actions pending, to the knowledge of Lessor, which would result in the creation of any lien on any portion of the Leased Premises, including, without limitation, water, sewage, street paving, electrical or power improvements, which give rise to any lien, completed or in progress. Lessor shall not grant any liens or security interest on all or any portion of the Leased Premises other than encumbrances which will not affect Lessee's use or enjoyment of the property.

12.1.11 Limitations. Except as otherwise expressly provided herein, this Lease is made by Lessor without representation or warranty of any kind, either express or implied, as to the condition of the Leased Premises, its merchantability, its condition or its fitness for Lessee's intended use or for any particular purpose.

12.2 Lessee's Representations, Warranties and Special Covenants.

12.2.1 Existence. Lessee is duly organized and validly existing under the laws of the state of its organization and is authorized to do business in the State of Texas.

12.2.2 Authority. Lessee has all requisite power and authority to own its property, operate its business, enter into this Lease and consummate the transactions herein contemplated, and by proper action has duly authorized the execution and delivery of this Lease and the consummation of the transactions herein contemplated.

12.2.3 Binding Obligation. This Lease is a valid and binding obligation of Lessee and is enforceable against Lessee in accordance with its terms, subject to (a) applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, rearrangement, moratorium, receivership, liquidation, and similar laws affecting creditor's rights or (b) general principles of equity.

12.2.4 No Default. The execution by Lessee of this Lease and the consummation by Lessee of the transactions contemplated hereby do not, as of the Commencement Date, result in a breach of any of the terms or provisions of, or constitute a default or condition which upon notice or the lapse of time or both would ripen into default under, the organizational documents of Lessee or under any indenture, agreement, instrument or obligation to which Lessee is a party or is bound.

12.2.5 Consents. No permission, approval or consent by third parties or any other governmental authorities is required in order for Lessee to enter into this Lease, make the agreements herein contained or perform the obligations of Lessee hereunder other than those which have been obtained.

12.2.6 As-Is. Lessee accepts the leasehold interest in the Land granted by this Lease on an "as-is" basis with all faults.

ARTICLE XIII **Miscellaneous**

13.1 Inspection. Lessee shall permit Lessor and its agents, upon no less than twenty-four (24) hours prior written notice, to enter into and upon the Leased Premises during normal business hours for the purpose of inspecting the same on the condition that Lessee's and Lessee's tenants' and invitees' quiet enjoyment of the same is not interfered with.

13.2 Estoppel Certificates. Lessee and Lessor shall, at any time and from time to time upon not less than ten (10) days' prior written request by the other Party, execute, acknowledge, and deliver to Lessor or Lessee, as the case may be, a statement in writing certifying (a) its ownership of the interest of Lessor or Lessee hereunder, as the case may be, (b) that this Lease is unmodified and in full force and effect (or if there have been any modifications, that the same is in full force and effect as modified and stating the modifications), (c) the dates to which the Rent and any other charges have been paid, and (d) that, to the best knowledge of Lessor or Lessee, as the case may be, no default hereunder on the part of the other Party exists (except that if any such default does exist, the certifying Party shall specify such default.)

13.3 Release. If requested by Lessor, Lessee shall, upon termination of this Lease, execute and deliver to Lessor an appropriate release, in form proper for recording, of all Lessee's interest in the Leased Premises, and upon request of Lessee, Lessor will execute and deliver a written cancellation and termination of this Lease and release of all claims (if none are then outstanding) in proper form for recording to the extent such release is appropriate under the provisions hereof. If requested by Lessee, Lessor shall, upon termination of this Lease, execute and deliver a written cancellation and termination of this Lease and release of all claims (if none are then outstanding) in proper form for recording to the extent such release is appropriate under the provisions hereof.

13.4 Lessor's Right to Perform Lessee's Covenants. If Lessee shall fail in the performance of any of its covenants, obligations or agreements contained in this Lease, other than the obligation to pay Rent, and such failure shall continue without Lessee curing or commencing to cure such failure within all applicable grace and/or notice and cure periods, Lessor after ten (10) days additional written notice to Lessee specifying such failure (or shorter notice if any emergency meaning that there is imminent danger to the safety of persons or of substantial damage to property exists) may (but without any obligation to do so) perform the same for the account and at the expense of Lessee, and the amount of any payment made or other reasonable expenses (including reasonable attorneys' fees incurred by Lessor for curing such default), with interest thereon at the rate of twelve percent (12%) per annum or the highest rate then allowed by law, shall be payable by Lessee to Lessor on demand, or, if not so paid, shall be treated at Lessor's option as a monetary default hereunder pursuant to and subject to all of the provisions of Section 9.1 hereof. If Lessor shall fail in the performance of any of its covenants, obligations or agreements contained in this Lease, and such failure shall continue without Lessor curing or commencing to cure such failure within all applicable grace and/or notice and cure periods, Lessee after ten (10) days additional written notice to Lessor specifying such failure (or shorter notice if any emergency meaning that there is imminent danger to the safety of persons or of substantial damage to property exists) may (but without any obligation to do so) perform the same for the account and at the expense of Lessor, and the reasonable

amount of any payment made or other reasonable expenses (including reasonable attorneys' fees incurred by Lessee for curing such default), with interest thereon at the rate of the lesser of twelve percent (12%) per annum or the highest rate then allowed by law, shall be payable by Lessor to Lessee on demand, or, if not so paid, shall be treated at Lessee's option as a default hereunder pursuant to and subject to all of the provisions of Section 10.1 hereof to the extent allowed by law.

13.5 Notices. All notices, demands, payments and other communications required to be given or made hereunder shall be in writing and shall be duly given if delivered by hand, messenger, telecopy or reputable overnight courier or if mailed by certified or registered mail, first class postage prepaid, and shall be effectively received upon the date of such delivery or two (2) days after such mailing, to the respective parties hereto at the addresses set forth below, or to such other address furnished in writing to the other Party hereto.

If to Lessee: Museum of the American Railroad
 Attention: Robert Willis, Chair
 Board of Trustees
 1105 Washington Street,
 P.O. Box 153259
 Dallas, Texas 75315-3259
 Fax: 214-426-1937

With a copy to: Bob LaPrelle
 President & CEO
 Museum of the American Railroad
 PO Box 153259
 Dallas, TX 75315-3259

If to Lessor: City of Frisco
 6891 Main Street
 Frisco, Texas 75034
 Fax: (972) 335-5559
 Attn: City Manager

With a copy to: Abernathy, Roeder, Boyd & Joplin, P.C.
 1700 Redbud Boulevard, Suite 300
 McKinney, Texas 75069
 Fax: (214) 544-4044
 Attn: Robert Roeder

13.6 Successors and Assigns. Except as expressly provided in Article 8, this Agreement may not be assigned without the prior written consent of the other Party hereto. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the parties and their permitted successors and assigns.

13.7 Amendment. Except as expressly provided herein, neither this Lease nor any term hereof may be amended, waived, discharged or terminated, except by a written instrument signed by the Parties hereto.

13.8 Headings and Subheadings. The headings of the articles, sections, paragraphs, and subparagraphs of this Lease are for convenience or reference only and in no way define, limit, extend or describe the scope of this Lease or the intent of any provisions hereof.

13.9 Unavoidable Default and Delays. After the date of execution of this Lease, the time within which any Party to this Lease shall be required to perform any act under this Lease shall be extended by a period of time equal to the number of days during which performance of such act is delayed by casualty, damage, strikes or lockouts, war, terrorism, riots, acts of God, governmental restrictions, failure or inability to secure materials or labor, reason of priority or similar regulations or order of any governmental or regulatory body, enemy action, civil disturbance, fire, unavoidable casualties or any other cause beyond the reasonable control of the Party seeking the extension. The provisions of this Section 13.9 shall not operate to excuse either Party from prompt payment of the Rent or any other payments required by the terms of this Lease.

13.10 Severability. In the event one or more of the terms or provisions of this Lease or the application thereof to any Party or circumstances shall, to any extent, be held invalid, illegal or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

13.11 Governing Law. This Lease shall be governed by, and construed and enforced in accordance with the laws of the United States applicable thereto and the laws of the State of Texas applicable to a lease executed, delivered, and performed in such state, without regard to any otherwise applicable principles of conflicts of law.

13.12 Venue for Actions. The venue for any legal action arising out of this Lease shall lie exclusively in Collin County, Texas.

13.13 Attorneys' Fees. Should either Party to this Lease engage the services of attorneys or institute legal proceedings to enforce its rights or remedies under this Lease, the prevailing Party to such dispute or proceedings shall be entitled to recover its reasonable attorneys' fees, court costs, and similar costs incurred in connection with the resolution of such dispute or the institution, prosecution, or defense in such proceedings from the other Party.

13.14 Relationship of Parties. Nothing contained herein shall be deemed or construed by the Parties hereto or by any third party as creating the relationship of principal and agent, partnership, joint venture or any association between the Parties hereto, it being understood and agreed that none of the provisions contained herein or any acts of the Parties in the performance of their respective obligations hereunder shall be deemed to create any relationship between the Parties hereto other than the relationship of Lessor and Lessee. It is understood and agreed that this Lease does not create a joint enterprise, nor does it appoint

either Party as an agent of the other for any purpose whatsoever. Neither Party shall in any way assume any of the liability of the other for acts of the other or obligations of the other. Each Party shall be responsible for any and all suits, demands, costs or actions proximately resulting from its own individual acts or omissions.

13.15 Net Lease. It is the intention of Lessor and Lessee that the Rent payable under this Lease and all Impositions and other costs related to Lessee's use or operation of the Leased Premises under this Lease (other than amounts as may be required to be paid by Lessor pursuant to specific provisions of this Lease and the related Development Agreement between Frisco, Texas and MAR) shall be absolutely net to Lessor, and that Lessee shall pay during the Term, without any offset or deduction whatsoever (except as may otherwise expressly provided in this Lease), all such Impositions and other costs due by Lessee under this Lease (other than amounts as may be required to be paid (directly or indirectly) by Lessor pursuant to specific provisions of this Lease and the related Development Agreement between Frisco, Texas and MAR).

13.16 Non-Waiver. No Party shall have or be deemed to have waived any default under this Lease by the other Party unless such waiver is embodied in a document signed by the waiving Party that describes the default that is being waived. Further, no Party shall be deemed to have waived its rights to pursue any remedies under this Lease, unless such waiver is embodied in a document signed by such Party that describes any such remedy that is being waived.

13.17 Obligations to Defend Validity of Agreement. If litigation is filed by a third party against Lessee or Lessor in an effort to enjoin either Party's performance of this Lease, the Parties hereto who are named as parties in such action shall take all commercially reasonable steps to support and defend the validity and enforceability of this Lease. Either Party may intervene in any such matter in which the other Party hereto has been named as a defendant. Each Party shall be responsible for its attorneys' fees and costs of litigation.

13.18 Survival. Covenants in this Lease providing for performance after termination of this Lease shall survive the termination of this Lease.

13.19 Entire Agreement. This Lease (including the Exhibits attached hereto and incorporated herein, if any) and the other documents delivered pursuant to this Lease or referenced herein constitute the full and entire understanding and agreement between the Parties with regard to the subject matter hereof. There are no representations, promises or agreements of Lessor or Lessee regarding the subject matter of this Lease not contained in this Lease, the Exhibits attached hereto or the other documents delivered pursuant to this Lease or referenced herein.

13.20 Counterparts. This Lease may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

13.21 Waiver of Consequential Damages. Notwithstanding anything in this Lease, to the contrary, Lessor hereby waives any consequential damages, compensation or claims for

inconvenience, loss of business, rents or profits as a result of any injury or damage, whether or not caused by the willful or wrongful act of Lessee or its representatives, agents or employees. Anything to the contrary in this Lease notwithstanding, Lessee hereby waives any consequential damages, compensation or claims for inconvenience, loss of business, rents or profits as a result of any injury or damage, whether or not caused by the willful or wrongful act of Lessor or its representatives, agents or employees.

13.22 Memorandum of Lease Agreement. Upon either Party's request, the other party shall execute and allow such Party to record in Collin County, Texas a Memorandum of Lease Agreement with respect to this Lease. In the event such a memorandum is recorded, the parties agree that upon a termination of this Lease, the parties shall execute and record a termination of such Memorandum of Lease Agreement.

13.23 No Waiver of Lessor's Lien. Nothing contained in this Lease shall constitute a waiver of Lessor's landlord's lien that Lessor might hold, statutory or otherwise, to Lessee's (or any Sublessee's) inventory, trade fixtures, equipment or other personal property now or hereafter placed on the Leased Premises. Any such waiver shall be by separate instrument and consent thereto may be withheld by Lessor, in its sole and absolute discretion.

WITNESS WHEREOF, the parties hereto have executed and delivered this Lease as of the date first set forth above.

LESSEE

**THE MUSEUM OF THE
AMERICAN RAILROAD**

Robert Willis
Chair, Board of Trustees

STATE OF TEXAS §

COUNTY OF COLLIN §

This instrument was acknowledged before me on the ____ day of _____, 2009, by **Robert Willis**, Chair, Board of Trustees of the Museum of the American Railroad, a _____, on behalf of said company.

Notary Public in and for the State of Texas

My Commission Expires:

LESSOR

CITY OF FRISCO, TEXAS

George Purefoy
City Manager

STATE OF TEXAS §

COUNTY OF COLLIN §

This instrument was acknowledged before me on the ____ day of _____, 2009, by **George Purefoy**, City Manger, of the City of Frisco, a home rule municipality, on behalf of said municipality.

Notary Public in and for the State of Texas

My Commission Expires:

Exhibit A
Land

Exhibit "A"
MAR Lease Agreement
Land
Page 1 of 2

FIELD NOTES - LOT 3

BEING a tract or parcel of land situated in the City of Frisco, Collin County, Texas; being a part of the Lewis H. McNeil Survey, Abstract No. 618, and being part of that tract of land conveyed to Frisco Community Development Corp. by Deed recorded in Volume 5990, Page 2717, Deed Records, Collin County Texas; being a part of Lot 1, Block 1, of the Replat of Beals Aerospace Addition to the City of Frisco, Collin County, Texas, and being a part of and being more particularly described as follows:

COMMENCING at a 1/2 inch iron rod with yellow cap marked (RPLS 4023) set for corner, being the northwest corner of said Lot 1;

THENCE North 89°23'44" East a distance of 788.17 feet to a 1/2 inch iron rod with yellow cap marked (RPLS 4023) set for corner;

THENCE North 89°23'44" East a distance of 788.17 feet to a point for corner;

THENCE South 24°39'41" West a distance of 941.63 feet to a point for corner;

THENCE South 66°02'50" West a distance of 432.47 feet to a point for corner;

THENCE North 00°00'00" East a distance of 1023.00 feet to the POINT OF BEGINNING and containing 12.345 acres of land, more or less.

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Exhibit "B"

Phases of Development

Exhibit "B"
MAR Lease Agreement
Phases of Development
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*Phases of Development for the Construction of Permanent Track & Facilities, and Movement of
the Museum's Rolling Stock Collection and Structures to the Frisco, Texas Site*

PHASE I: 2009-2011
PLANNING

- Using current data from Frisco CVB, Chamber, ISD, etc., conduct market analysis to determine general audience potential and educational program needs in Frisco and surrounding communities and school districts. *Completed*
- Museum to prepare preliminary diagram of trackage and permanent structures at the 12.34 acre Frisco site, showing entrance of lead track and its proximity to the BNSF Main Line and Cotton Gin Road, layout of exhibit trackage, minimum setback of permanent structures, and designated parking. *Completed*
- The City of Frisco and its various departments including Planning & Zoning, and Building Inspection approve the preliminary diagram including any recommended changes. Also included should be any environmental concerns, including substrate, watershed/drainage, and flood issues. *Completed*
- Approve conceptual engineering report from Lunsford Associates showing museum trackage, location of future permanent structures, and utilities, based on the preliminary diagram, current topographical, boundary, and utilities surveys, etc. *In Progress*
- City of Frisco, Burlington Northern Santa Fe (BNSF) Railway and the Museum agree on the placement of switch and lead track to allow rail access to the museum site. Every effort should be made (including any incentives from Frisco) to impress upon BNSF the importance of maintaining a permanent museum connection to their main line.
- Museum contracts with engineering firm to prepare final design and specifications for Phases I & II of the rail plant (track layout) at the museum site, including substrate requirements.
- City of Frisco approves final design and specifications of rail plant including any recommended changes.
- Conduct a Capital Campaign Feasibility Study.
- Implement the initial phase of a Capital Campaign to fund planning projects and match City of Frisco funds for Phase I construction (\$500,000 to \$1 million). We have the option to raise Phase II funds (\$33 to \$43 million) concurrently with Phase I if the Campaign Feasibility Study reveals a climate conducive to this. Otherwise, Phase II fund raising will begin immediately upon completion of Phase I.
- Create a Visitor Experience Concept Plan that develops a thematic framework for major exhibits. This plan defines the project intellectually and spatially to create a museum that is relevant and maximizes our audience potential.
- Determine staffing needs and prepare a Table of Organization for each phase of development.

Exhibit "B"
MAR Lease Agreement
Phases of Development
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- Finalize and approve a Museum Master Plan that takes into account current needs as well as previous conceptual plans and relevant elements of the 2006 Strategic Plan.
- Develop specifications and select an architect for the museum's permanent structures.

PHASE I: 2009-2011
CONSTRUCTION

- BNSF constructs a switch in their main line or other designated location such as the existing feed siding (BNSF Clic 8202) if it is to remain in service. This switch provides access to the museum's lead track from the General System.
- A permanent lead track is constructed from BNSF's switch southward along their main line to the entrance point at the northeast corner of the museum property at the foot of Cotton Gin Road. This track, ranging in length from 500 – 1500 feet depending on placement of the switch, may be constructed by BNSF and/or private track contractor. An opportunity may exist to use surplus materials from the removal of existing sidings along this alignment.
- Museum contracts with a site preparation company to grade the site and compact the soil for proper drainage, allowing for construction of trackage and permanent buildings.
- Museum contracts with a track construction company to build the Phase I track layout at the museum site. This consists of lead and tail track (approximately 1,200 feet) along with five to seven 300-400 foot stub-end exhibit tracks – enough to accommodate the movement and placement of the museum's 2,500 feet of rolling stock (see diagram 1). If funds are available, Phase II track will also be constructed (all or in part) at this time.
- The museum contracts to build a full perimeter decorative security fence.
- The museum ceases operations at its Fair Park location.
- The museum, with appropriate credentials, i.e. mechanical inspections and/or FRA waivers, contracts with the Dallas, Garland & Northeastern (DGNO) / BNSF Railroads to move its entire rolling-stock collection (see roster of collection) to Frisco.
- The museum contracts with a crane and trucking company to transport pieces of rolling stock which cannot travel by rail, i.e. Frisco steam locomotive #1625 and Buffalo, Rochester & Pittsburgh Caboose #11.
- The museum's Texas Landmark structures (see roster) are moved to Frisco placed on permanent foundations as exhibits (pending the ability to move oversized/excess height structures over roadways).
- Connect basic utilities to structures and selected pieces of rolling stock.
- The museum opens its collection to the public and provides programming at its new Frisco site, with its initial operations on par with its current Fair Park operation.

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PHASE II: 2011-2019

(Some of which may take place concurrently with Phase I)

- The museum finalizes architectural plans and renderings for permanent structures and submits to City of Frisco for approval.
- Museum contracts with a track construction company to build additional track not constructed in Phase I. This may include additional stub-end exhibit tracks and access to new shop facilities. The tail track would also be extended to serve Grand Park to the south and west as necessary.
- The museum contracts with construction firm(s) to build permanent structures and complete Phase II of facilities construction.
- The museum expands the scope of its operations and programming as facilities are completed.

PHASE III: 2020

- Construct permanent shop facilities as part of an expanded, working museum of railway technology that includes a train ride, four-stall roundhouse and turntable on west edge of footprint.

Note: This plan does not contain exact dates for completion or costs associated with each step. It is intended to provide a sequence of events necessary to construct the basic facilities and re-locate the museum's permanent collection from Fair Park to Frisco. It also provides for the construction of permanent facilities and expanded programs & services as part of additional phases of development.

Exhibit "C"
Rolling Stock

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ROLLING STOCK

Steam Locomotives

St. Louis-San Francisco (Frisco) Railway
No. 4501
4-8-4 "Northern" type
Baldwin Locomotive Works, Eddystone, PA
C/N 64450 Nov. 1942
Last operated 1952, Retired 1964, Donated 1964

Dallas Union Terminal Company
No. 7
0-6-0, S-13 type (upgraded) switcher
Baldwin Locomotive Works, Eddystone, PA
C/N 57208 Oct. 1923
Retired 1962, Donated 1963

Union Pacific Railroad Company
No. 4018
4-8-8-4 "Big Boy" type, simple articulated
American Locomotive Company (Alco), Schenectady Works, NY, 1942
C/N 69589 Dec. 1941
Last operated 1957, Retired 1962, Donated 1965

Eagle-Picher Mining Company, Carding Mine, Picher, Oklahoma
(Ex St. Louis-San Francisco (Frisco) Railway)
No. 1625
2-10-0 "Decapod" type
American Locomotive Company (Alco), Schenectady Works, NY
C/N 58903 March. 1918
Built to 5 ft. Gauge for Imperial Russian Railways, never delivered and was subsequently regauged and sold to USRA, then resold to SLSF Railway after WW1. Sold to Eagle-Picher Mining Co. in October of 1951.
Last operated 1957, Retired 1964, Donated 1964

Diesel-Electric Locomotives

Atchison Topeka & Santa Fe Railway Company
No. M-160
Gas-Electric Motorcar, Dieselized 1946, repowered again in 1952 with 600 HP EMD 6-567B Diesel
J.G. Brill Company, Philadelphia, PA, June 1931
Retired 1966, Donated 1969, Serviceable

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Union Pacific Railroad Company

No. 6913

DDA-40-X "Centennial", 6600 HP. Diesel-Electric, (Two 16-645 E3A engines)

Electro-Motive Division of General Motors, LaGrange, IL

B/N 34539 Oct. 1969

Retired 1985, Donated 1986

Western Railroad Company, New Braunfels, TX (Parker-Lafarge Corporation)

(Ex Great Plains Railway, ex Colorado & Wyoming Railway, Pueblo, CO)

No. 1107

VO-1000, 1000 HP Diesel-Electric Switcher, (In-line 8 cylinder De La Vergne NA engine)

Baldwin Locomotive Works, Eddystone, PA

B/N 69654 Sept. 1943

Retired 1987, Donated 1990, Serviceable

Southwestern Portland Cement, Odessa, Texas Plant

No. 115 (Ex Southern Pacific No. 2379, ex 1581)

H12-44, 1200 HP. Diesel-Electric Switcher, (In-line 6 cylinder 38D8 1/8 engine)

Fairbanks-Morse & Company, Beloit, WI

B/N 12L1066 Oct. 1956

Retired 1993, Purchased 1993, Serviceable

Burlington Northern Santa Fe Railway

No. 97 (Ex Santa Fe 5997, ex 105, ex 5997, ex 5947, ex 107)

SDFP-45 (FP-45), 3600 HP Diesel-Electric, (20-645 E3 engine),

Electro-Motive Division of General Motors, LaGrange, IL

B/N 33196 Dec. 1967

Retired 1999, Donated 1999

Canadian National Railways

No. 9167

F-7AU (F-7A) 1750 HP Diesel-Electric Road Switcher

(Remanufactured July 1973 to F-9A specifications with 16-567 C engine)

General Motors Limited of Canada, Toronto, ON

B/N A-386 Oct. 1952

Retired 1989, Purchased 2000, Serviceable

TXI Cement & Aggregates

No. 8000 (Ex USA 8000, ex NYS&W 231)

RSD-1 (RS-1), 1000 HP Diesel-Electric Road Switcher (In-line 6 cylinder turbo charged 539T engine)

Rebuilt Nov. 1942 to U.S. military specifications including three axle, three motor fabricated trucks and re-profiled cab for use on Trans-Iranian Railway (US Army 762nd Railroad Battalion) during WWII.

Repatriated July 1945

American Locomotive Company (Alco), Schenectady Works, NY

B/N 69992 June 1942

Retired 1999, Donated 2000, Serviceable

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Electric Locomotive

National Railroad Passenger Corp. (Amtrak)
(Ex Pennsylvania Railroad Company)
No. 4906 (Ex AMTK 906, ex PRR 4903)
GG1 type, 2-C-C-2 Electric, 11,000 VAC, 25 cycles
Westinghouse Electric Company (Assembled at PRR's Juniata Shops, Altoona, PA)
B/N 4372 June, 1940
Repainted back to PRR No. 4903 in 1996
Retired 1980, Acquired in trade 1984

Passenger Cars

Fort Worth & Denver Railway (Ex Colorado & Southern Railway)
"Texland" (Second) (Ex FW&DC 922, ex C&S 901, ex USRA 90, ex C&S 901, ex 627, ex 82),
Lot #2569
Business Car, 3-stateroom, 3-bath, dining room, office, salon
(Built as all-wood, truss-rods cafe-observation car, rebuilt to business car 1910, steel underframe and side sheeting 1925)
Pullman Car Works, Chicago, IL, 1900
Stored 1960, Retired 1966, Donated 1966

Atchison Topeka & Santa Fe Railway Company
Parlor Club 3231, Lot #4255
Lounge Car, 14 parlor seats, club section, dorm space
(Built as parlor observation car 3218, rebuilt 1935)
Pullman Car Works, Chicago, IL, 1914
Retired 1964, Donated 1966

Atchison Topeka & Santa Fe Railway. Company
"San Bartolo" 1363, Lot #4807
Lounge-Barber Shop-Dormitory Car
Pullman Car & Manufacturing Company, Chicago, IL, 1926
Donated 1966

The Pullman Company (General Service)
"Glengyle", Lot #3867 Plan #2522
Sleeping Car, 7 compartments, 2 drawing rooms
Pullman Car Works, Chicago, IL, Dec. 1910
Donated 1964

The Pullman Company (General Service)
"McQuaig", Lot #4845 Plan #3410
Sleeping Car, 12 open-sections, 1 drawing room
Pullman Car & Manufacturing Company, Chicago, IL, April 1925
Donated 1964

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The Pullman Company (Southern Pacific Lines)

"Goliad", Lot 4945 Plan #3410A

Sleeping Car, 12 open-sections, 1 drawing room

Pullman Car & Manufacturing Company, Chicago, IL, Sept. 1926

Donated 1964

FreightMaster Industries (Haliburton), Ft. Worth Plant

HWCR-1 Research Car, (Ex Pullman Company "Glen Nevis"), Lot #4922 Plan #3523A

Self-contained car for field testing of draft gear cushioning devices having:

3 compartments, 2 drawing rooms, shower, kitchen, and instrument room

Built as sleeping car with 6 compartments, 3 drawing rooms

Pullman Car & Manufacturing Company, Chicago, IL, Dec, 1925

Purchased by FMI and converted to research car 1966, Donated 1997

Missouri-Kansas-Texas (Katy) Lines

No. 3 (Ex "Fort Worth", ex "Goliad" 438), Lot #1671

Dining Car, 36-seat, full-service kitchen

American Car & Foundry Company, St. Louis, MO, 1937

Purchased 1964

St. Louis-San Francisco (Frisco) Railway

No. 759, Lot #6336

Chair Car, 56 reclining seats, segregated (Rebuilt with streamlined roof 1944)

American Car & Foundry Company, St. Louis, MO, 1912

Donated 1966

Texas & Pacific Railway

No. 1143 (Ex 1677, ex 1560, ex 1506, ex 12??), Lot #4569

Chair Car, 56 reclining seats, segregated (Modernized 1953)

Pullman Car Works, Chicago, IL, August, 1920

Donated 1967

Texas & Pacific Railway

No. 1038* (Ex 916, ex 816, ex 64), Lot #4502

Railway Post Office-Baggage Car (Built as coach-baggage car, rebuilt to coach-mail 1925, rebuilt to railway post office-baggage car 1941, modernized 1954)

Pullman Car Works, Chicago, IL, February, 1918

* This car never saw service as 1038, the number was assigned during a 1963 shopping during which the car was condemned upon discovery of a cracked frame and subsequently retired.

Donated 1964

Atchison Topeka & Santa Fe Railway Company

No. 3197, Lot #6601 Plan #7428

Coach Observation Car, 36 deluxe reclining leg-rest seats

Lightweight, streamlined, stainless-steel over carbon steel construction

Pullman-Standard, Chicago, IL, March 1940

Donated 1969

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National Railroad Passenger Corporation (Amtrak)
"Loch Tarbet" No. 2090, ex 2028 (Ex Burlington Northern / Northern Pacific "Loch Tarbet"
329,
ex Missouri Pacific "Southland" 699 leased from Budd)
Job #9691-090 (Spec.) Pullman Plan #9540
Sleeping Car, 24 single room, 8 double room Slumbercoach
The Budd Company, Red Lion Plant, Philadelphia, PA, Sept. 1959
Retired 1996, Purchased 2005

National Railroad Passenger Corporation (Amtrak)
"Pine Ring" No. 2997 ex 2731 (Ex Santa Fe "Pine Ring" 1642) Job #9660-038, Pullman Plan
#9521
Sleeping Car, 10 roomette, 6 double bedroom
The Budd Company, Red Lion Plant, Philadelphia, PA, Mar. 1950
Retired 1995, Donated 2005

National Railroad Passenger Corporation (Amtrak)
No. 2532 ex 2012, (Ex SCL 6702, ex B&O "Gull" 7102) Job #9658-137, Pullman Plan
#9536
Sleeping Car, 16 duplex-roomette, 4 double bedroom
The Budd Company, Red Lion Plant, Philadelphia, PA, June 1954
Retired 1982, Purchased 2005

Atchison Topeka & Santa Fe Railway Company
No. 1550 Job #9627-013
Dining Car, 14-seat lunch counter, 20-seat dining section, full-service kitchen
The Budd Company, Red Lion Plant, Philadelphia, PA, Mar. 1948
Retired 1969, Purchased 2005

Algoma Central Railway
No. 504 (Ex Cadillac & Lake City Ry. "Emerald Lake", ex Santa Fe 1554) Job #9627-013
Dining Car, 14-seat lunch counter, 20-seat dining section, full-service kitchen
The Budd Company, Red Lion Plant, Philadelphia, PA, Mar. 1948
Retired ??, Donated 2005

Freight Cars

Kansas City Southern Lines
No. 7460
Box Car, 40 ft., Outside braced, wood side, steel underframe
Builder unknown, 1924
Donated 1967

Lone Star Gas Company (Lone Star Producing Company)
No. L.S.G.X. 1817 (Ex Lone Star Producing Company LSPX 1817)
Tank Car, Petroleum products ("Ranger Era" tank car built for Chestnut & Smith Corp.)
General American Tank Car Company, 1917
Donated 1966

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Genesee & Wyoming Railroad

No. GNWR 1032

Refrigerator Car, 65 ft. Sub-zero, mechanical, diesel

Pacific Car & Foundry, 1968

Donated 1991

Western Pacific Railroad

No. 68652

Box Car, 55 ft., double plug door, all-steel

American Car & Foundry Company, 1966

Donated 1997

St. Louis-Southwestern (Cotton Belt) Railway

No. 2332 (Ex 49028 on AFE 4206)

Caboose, Combination coach-baggage-crew car, wood with steel underframe, plan 624-E

StLSW, Oct. 1920

Donated 1966

Texas & Northern Railway (Lone Star Steel Company, Lone Star, TX)

(Ex Malakoff Fuel & Iron Co., ex Port Bolivar and Iron Ore Railroad, ex Buffalo Rochester and Pittsburgh Railway)

Number unknown

Caboose, 4-wheel "Bobber" type, all-wood

BR&P Lincoln Park Car Shops, Rochester, NY 1895

Donated 1964

Atchison Topeka & Santa Fe Railway Company

No. 999311

Caboose, Class CE-1, all steel

Santa Fe Railway, Topeka Shops, 1949, rebuilt 1968

Donated 2001

Other Equipment

American Smelting & Refining Company (Asarco), Baltimore MD Plant

Ex Revere Copper & Brass, Incorporated

No. 10

Class 8-DM-67, Diesel-mechanical locomotive, 8 ½ ton, 21 ½ inch (Hunt) gauge

Geo. D. Whitcomb Locomotive Company, Rochelle, IL, 1945

Purchased 2006

Union Pacific Railroad Company

No. MT14444M

Track "Speeder" Inspection Car, Motorized (Onan 2 cyl.), Model M-14, closed body

Fairmont, Railway Motors Inc., ca. 1977

Donated 1990

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Trackwork Incorporated (Ex Chicago Rock Island & Pacific Railroad)
No. RIMC 915
Track "Speeder" Inspection Car, Motorized (Fairmont 1 cyl.), Model S2E, open body
Fairmont Railway Motors Inc., ca. 1955
Donated 1991

Gifford-Hill & Company
No. H109
Handcar, wood
Donated 1964

Railway Express Agency
VIN No. IGY-34280
Delivery Truck, Box Type, 1-Ton Chassis
Ford Motor Company, 1941
Retired 1955, Purchased 2004

Santa Fe Railway, Cleburne Shops
Freight Car Truck, arch-bar type with hollow cast wheels
ca. 1900
Donated 1988

Santa Fe Railway, Cleburne Shops
Freight Car Truck, Andrews type
ca. 1920
Donated 1988

MUSEUM COLLECTIONS - STRUCTURES

Houston & Texas Central Railroad (Southern Pacific Lines)
Dallas Depot, (Eakin St. Yard Office), wood frame construction
Southern Pacific standard plan, ca. 1900
Original Location: South Lead to SP Yard & Eakin Street, Dallas, Texas
Purchased 1963

Houston & Texas Central Railroad (Southern Pacific Lines)
Handcar Shed, wood frame construction (Originally located adjacent to depot)
Southern Pacific standard plan, ca. 1905
Donated 1963

Missouri-Kansas-Texas Lines
Railroad Crossing Guard's Shanty, all-wood construction
Original Location: MKT Line & Knox Street, Highland Park, Texas
Donated 1963

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Workshop/Parts Storage Building
Originally built to house steam boiler
Matches H&TC Buildings, wood frame construction
Constructed 1964

Steam Boiler & Machinery Building
Matches H&TC Buildings, wood frame construction
Houses 40 HP Columbia stationary boiler, mfg. 1979
Provides steam to operating locomotive whistle collection, turbo-generator, and Santa Fe
Cleburne Shop Whistle
Constructed 1992

Gulf, Colorado & Santa Fe Railway
Interlocking Tower Building (Tower 19), wood frame construction, Craftsman style
Santa Fe standard plan (modified), ca. 1903
Equipped with General Railway Signal 103-function electric interlocker machine, 1952
Originally located at intersection of GC&SF and M-K-T Railways in South Dallas
Retired 1993, Donated 1996

MUSEUM COLLECTIONS - RAILWAY INFRASTRUCTURE

Railway Express Agency
Baggage Carts (4)

Railway Express Agency
Casket Cart

Dallas Union Terminal Company
32 VDC Standby Generators (4)

Various Lineside Signals and Signage

Steel truss type signal bridges (4) from Tower 19 Interlocking Plant